Volume XV.] *December, 1900.* [*Number 4.*

POLITICAL SCIENCE QUARTERLY.

WAR AND ECONOMICS IN HISTORY AND IN THEORY.

EACH generation must write its own history of past events, in order to interpret them in terms corresponding to its needs. New conditions give rise to new problems, and these to new conceptions; and when we turn again to examine the past, we put to it questions never before asked. Since the middle of the century, when the victory of parliamentary government in western Europe was finally assured, — without, however, accomplishing the marvelous results expected of it, — the question as to the best form of government has come to have mainly an academic interest, while the contests of actual politics have more and more turned upon questions of social and economic policy. This shifting of the centre of interest has been followed by a corresponding change in the character of historical writing, culminating in the rise of a new school [1] in which political constitutions are considered as results, rather than causes, and attention is devoted chiefly to the economic factor in history. Such a change in the point of view must necessarily alter the perspective of history, giving more prominence to such phenomena as have an important bearing on economic development.

[1] Represented in different ways by men so unlike, yet having so much in common, as Schmoller, Lamprecht, Ashley, Bücher, Loria and Rabbeno. *Cf.* Lamprecht's Alte und neue Richtungen in der Geschichtswissenschaft and the admirable review entitled "Features of the New History," by Earle Wilbur Dow, in the *American Historical Review* for April, 1898.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

That war belongs in this category seems altogether beyond dispute. If it be true that all great events are due in large part to economic causes, and react in turn upon economic conditions, then surely it will no longer suffice to dismiss this subject with the customary lamentations about the horrors and waste of war, nor even with some more or less probable estimates of the cost of particular wars. The time has certainly come when an investigation is needed, to show, if possible, the relation of war, as an institution, to the economic conditions prevailing in the several stages of civilization.

I.

Among tribes subsisting on the products furnished spontaneously by nature, war is the normal condition. The reason is, in the main, economic. The scarcity and precariousness of the food supply render much land necessary to support each family. Unless climatic conditions absolutely prevent an increase of population, the hunting grounds of the several tribes are of necessity extended until they overlap; and so arises a war of extermination, whose issue is the destruction of the least efficient social organization and the restoration of the equilibrium between population and food supply. At this stage of economic development, war is not only a business enterprise, but the only conceivable business enterprise — the only means by which a vigorous tribe may procure for itself an increased food supply. Nevertheless, a victorious tribe cannot expand without breaking up into smaller tribes; for the economic condition forbids men to dwell in large groups. This state of things thus tends to perpetuate itself. Individual tribes may rise or fall, but the old way of life goes on unchanged. How, then, does civilization ever emerge from this vicious circle?

This is a question not yet satisfactorily answered, though M. Tarde's imitation theory, and the culture myths of all races which have learned the secret of an artificial food supply, would indicate that individual initiative played a leading part in the great transformation. But the most brilliant genius could do

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

no more than apply to the satisfaction of an existing need something contained in or suggested by his environment. And it is characteristic of human nature not to try a new plan until the old one has utterly failed. What, then, were the circumstances which resulted in the creation of an artificial food supply?

It is evident that before this could happen the natural food supply must have proved insufficient, and the usual remedy in such cases, war, must have failed to bring relief. At first glance both these conditions would appear to exist among tribes worsted in battle, and one is tempted to think he has discovered another of the uses of adversity. But in savage warfare the defeated party is seldom left with any surplus population; and, even when their numbers again increase or the tribe is forced back into a less productive country, the creation of an artificial food supply is effectually hindered by their inability to defend themselves or their possessions. Instead of seeking to increase their resources, they set about limiting the increase of population by a systematic extension of the practices of infanticide and "senicide," which exist among all savages but reach their fullest development among tribes unable to make head against their neighbors. It is not, therefore, among the conquered that the origin of the new industrial system must be sought; nor yet among the conquerors, if they have been able by conquest adequately to supply their needs. It is rather among tribes whose equality of strength or inaccessible location prevents a decisive victory, that the creation of an artificial food supply becomes a necessity and hence a fact; and the same rule holds good concerning most of the subsequent steps in economic progress. In other words, industrial development is the result of strenuous competition, of which war is the most acute form.

Whether the next stage shall be pastoral or agricultural depends on the environment. In an open country, where there are animals suitable for domestication, the tribe will become pastoral; without such animals, or in a broken forest land, it becomes agricultural. Other things being equal, the change

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

to pastoral life is the more easy and natural. The food supply obtainable from a given area being greatly increased, the population is multiplied in the like proportion. And whereas the hunting existence scatters the population, the pastoral life tends to greater concentration, through the need of mutual protection for the herds, and to social and political consolidation, through the development of a patriarchal organization. For this reason, while hunting tribes are limited to guerrilla warfare, the numbers, discipline, mobility and readily transported food supply of pastoral peoples enable them to undertake distant expeditions and to make conquests on a grand scale. These things are, moreover, forced upon them by the economic limitations inherent in their mode of life. War is eventually as much an economic necessity for pastoral as for hunting tribes. Population depends upon herds, and herds upon accessible pasturage. But, owing to the rapid increase of population, due to the greater regularity and comfort of their life, as compared with hunting tribes, the limit of safety is soon passed. In this condition the least failure of pasturage, from drought or other cause, drives them forth into distant lands with the suddenness and violence of a tidal wave. This is the explanation of the periodically recurring *Völkerwanderungen* which have swept over the earth, destroying and founding empires.

When hemmed in by impassable barriers or invincible enemies, pastoral tribes, under the pressure of an increasing population, slowly become agricultural. The latter case was illustrated in the Germans beyond the Roman *Limes;* of the former, examples may be found in Egypt, Chaldea, China, Peru, Mexico, which became early centres of agriculture less because of their natural fertility — since in most of them irrigation was necessary — than because of their inaccessibility. They were so fenced about by mountains and deserts that the inhabitants were thrown back on their own resources to maintain the increasing population. Moreover, for the same reason, they were largely protected against hostile raids during the early period of agricultural development, when the people, scattered upon the land, fall an easy prey to every marauder.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Inaccessibility would thus appear to be as advantageous for the origin of a civilization based on agriculture as accessibility is for its continued development. Nevertheless, even in the most sheltered lands, the necessity of self-defense finally leads to division of labor and to social differentiation. A temporary form of this division was the arrangement found among the Suevi, by which the men alternately tilled the land and went out to war. The next step is the development of a permanent military class. The system of castes is an economic necessity at the stage of development when the family is the only possible school of practical arts. It is equally "an inevitable incident accompanying a certain stage of military expansion." And it is likewise the result of conquest, which produces slaves and subjects to be exploited for the benefit of the ruling race — a result whereof Sparta is the classical example. All three causes were operative in antiquity, especially in the Oriental world. The great empires which flourished there all rested on a more or less clearly defined system of castes; and in all of them conquest was not only the origin, but also the chief end of the state. Under the circumstances no other object was possible; for the lack of scientific knowledge and the rigidity of the social system narrowly limited the division of labor and rendered not only agriculture, but even manufacturing, relatively unproductive. It was inevitable, therefore, that the natural increase of population should cause the law of decreasing returns to be keenly felt. Where should relief be sought, if not in conquest — in the booty and tribute of subject peoples? To this all nations instinctively turned.

It is not less true, therefore, of agricultural than of shepherd nations, that war ultimately becomes an economic necessity. For the time comes when foreign lands must be drawn upon to feed the people; and in the absence of international division of labor, the only possible means to this end is war. The development of commerce on a grand scale and the use of a money economy do not remove all the causes tending to war; but they open up the possibility — barring commercial rivalries — of a peaceful expansion. And this was neither possible nor

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

conceivable in a natural economy such as characterized the Orient. This fact alone explains the predominant rôle of conquest in the ancient world.[1]

II.

In passing from the Oriental nations to Greece we obtain a glimpse into a condition of things infinitely more primitive. Here we find in its beginnings the economic, social and political development which in Asia and Africa had reached maturity when history opens. The Greek states reproduce in miniature before our very eyes the process of development and decay which underlay the great movements of ancient history. For this reason they reveal with the greatest clearness the fundamental relations of industry and war.

The early Greeks, like the Aetolians of a later day, were a rude race — half pastoral, half agricultural and still partially nomadic — who waged war ceaselessly for herds, slaves and fertile lands. War was for them strictly a business enterprise; or, as Goethe puts it:

> Krieg, Handel und Piraterie
> Dreieinig sind sie, nicht zu trennen.

War existed, as it were, by nature; while peace required to be established by special treaty. This is seen in the ἀσυλία, — that is, exemption from spoliation, — which was granted only as a special favor. It is seen even more strikingly in the fact that in Homer piracy is a distinctly honorable calling — the only one, in fact, which a thorough gentleman may follow. The wrath of Achilles grows out of a question of booty. Agamemnon constantly prays that he may "plunder the well-built city of Priam." And the Trojan war as a whole is evidently a piratical expedition of Greek vikings. Moreover, through all the changes of advancing civilization, war, and even private war, continued in the eyes of the people to constitute an honorable mode of acquisition. Innumerable phrases and proverbs scattered through Greek literature show that war

[1] Cunningham, Western Civilization in its Economic Aspects, pp. 13, 14, 24–38.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

was conceived, not only as the natural condition between all men, but also as the source of wealth and honor, and even as the creative principle in the universe.[1]

These facts, which usually furnish the text of a sermon on Greek morality, are, in a broad sense, as much facts of nature, and as little suited to be the subject of ethical judgment, as a tornado or an earthquake. The task of science is to understand, not to judge. And it is precisely such facts as these which furnish the indispensable clew. Greek history is "simple and complete," because it is dominated almost exclusively by a single cause. The Greek states, in their brilliance, their turbulence and their swift decay, reveal with surprising clearness the characteristics of limited political areas, in which the question of land or space is necessarily fundamental. From the beginning to the end of their history every important economic, military and political movement originated in the effort to find support for a redundant population. The Dorian conquest was the work of a poor and hardy tribe whose native mountains no longer afforded it sustenance and which therefore went forth to seek with the sword its fortune in distant lands. The Greek colonies arose from the same motives, partly through plundering raids which ended, like those of the Northmen, in conquest and settlement, partly through peaceful emigration. The later wars, both foreign and domestic, were due to the same cause, namely, the struggle for land and food. Even the growth of commerce and the introduction of a money economy, while altering the superficial aspects of the struggle, did not remove, but rather intensified, this incessant and deadly competition. It divided Greece into two parties — the one continental, agricultural, military, which clung to the natural economy and followed the lead of Sparta; the other maritime, commercial, naval, which speedily adopted a money

[1] Iliad, III, 69–74; Od., IX, 39–42; XIV, 210–234; 258–272; Hymn to Apollo, 452 *seq.*; Thucy., I, 1–21; V, 105; Pindar, Frag. 151; Plato, Laws, 625, 626. Especially striking is the fragment of Herakleitos: *πόλεμος πάντων μὲν πατήρ ἐστι, πάντων δὲ βασιλεύς, καὶ τοὺς μὲν θεοὺς ἔδειξε, τοὺς δὲ ἀνθρώπους, τοὺς μὲν δούλους ἐποίησε, τοὺς δε ἐλευθέρους* (Apud Mullachium, Frag. phil. graec., I, 320). *Cf.* Arist., Eth. Nicom., VIII, 2; Plut. de Isid. et Osir., cap. 48.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

economy and, after the transformation of Athens from a continental to a maritime state, largely fell under her control. That Sparta remained aristocratic, while Athens became democratic, was a result, rather than a cause. The contrast and the hostility between the two states and the interests which they represented lay deeper than forms of government: it was rooted in their very mode of life. It was the irrepressible conflict between a natural and a money economy — the old struggle for existence in a new form. The abiding hostility of the subject cities toward Athens, and of the social parties at Athens toward each other, bears witness to the same irreconcilable conflict of interests. Confronted with the necessity of feeding a population greatly in excess of her resources, the Imperial City bent every energy to procure from abroad what nature had denied at home, not only by extending her export trade, but also and chiefly by exploiting to the utmost her political position and her command of the sea.[1]

The wars of the Hellenistic period were due to the same cause. When the gold and arms of Philip had imposed peace on the warring cities of Greece, he planned the Asiatic campaign primarily in order to provide for the landless men who swarmed in the Greek cities, a constant incitement to piracy and civil war.[2] For the keen-eyed Greeks with Xenophon had long since made it known to their countrymen that, since the Persian empire was so rich and so weak, it was their own fault if they preferred to abide at home in poverty rather than be masters of the Persian wealth. What Xenophon had conceived and Philip had planned, Alexander executed. In his train the Greeks swarmed forth like bees in springtime. Greek cities sprang up on every side as if by magic. Greek merchants, administrators, soldiers filled the land, carrying their tongue and civilization into the wastes of Central Asia and to the very gates of India, acquiring in turn from the fertile East the wealth which their narrow and rocky fatherland denied them. This stream of Greek emigration flowed on

[1] Meyer, Die wirthschaftliche Entwickelung des Alterthums, pp. 39, 41.
[2] Isocrates, V, 120.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

unchecked for centuries. The peace which followed at home was due less to the Macedonian control than to the fact that this enormous expansion and emigration had largely dried up the perennial fountain of contention and of war.

Events so important and dramatic could not fail to make a deep impression on a people so open-minded and thoughtful as the Greeks. They were the first explicitly to recognize and state the problem of war, and to make it the subject of scientific investigation. The course of events thus receives additional illustration and interpretation through the development of doctrine.

Among the thinkers whose contributions to the theory of war call for individual mention, the earliest, and in some respects the most remarkable, is Hesiod. His voice was the first to be lifted in protest against the current glorification of war. Himself a peasant, he undoubtedly expressed the views of his class, who suffered most of the losses of war, while others reaped its rewards. Almost alone among ancient writers, he sings of labor. In words that have a strangely modern ring he contrasts the fruitful emulation of industry with the destructive rivalry of war. All that the school of Cobden have written on the subject is but an elaboration, often a tedious iteration, of the views here expressed or necessarily implied.[1]

The next author to discuss war from the economic standpoint was Thucydides. It would be no exaggeration to call his work "the economic interpretation of Greek history." He shows in detail how the Peloponnesian war resulted from the pressure of an imperious necessity — namely, a large population and poor soil, which rendered Athens as unscrupulous in time of peace as other states were wont to be in war. Hence the continual confiscations at home; hence also the exploitation of their allies and the repeated massacres to make room for Athenian colonists.[2]

Essentially the same point of view prevails in the early

[1] Works and Days, lines 11–26.

[2] Thucydides, I, 15, 70; II, 13, 38; III, 82; V, 116.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

writings of Xenophon.[1] In conformity with this opinion he points out the complete dependence of Athenian power and prosperity upon the control of the sea, whereby the island states were delivered helpless into her hands, the continental states were constrained to obey out of regard for their commerce,[2] and the choicest products of all lands were diverted from those who refused to do her bidding and carried to Athens, which thus lived by the toil of others.[3] But the long series of wars that brought ruin upon all Greece moved Xenophon, in his last work, to seek some escape from the policy of aggression, considering that "if it were possible for the citizens of Athens to be supported solely from the soil of Attica itself, . . . herein lay . . . the antidote to their own poverty and to the feeling of suspicion with which they are regarded by the rest of Hellas."[4] After dwelling upon the sources of profit not yet fully utilized, especially mines and commerce,[5] he shows that peace is an indispensable condition for the full enjoyment of these natural advantages, and calls to mind that Athens was twice installed as chief of the naval confederacy for services to Hellas, and twice overthrown for selfishly misusing her power. And then he adds:

> Of all states Athens is preëminently adapted by nature to flourish and wax strong in peace. And while she abides in peace she cannot fail to exercise an attractive force upon all. . . . Again, is any one persuaded that, looking to riches and money-making, the state may find war more profitable than peace? . . . Even at the present time we are suffering from its ill effects.[6]

In this passage the war economy of the ancient world is tried at the bar of reason and experience, and explicitly condemned on economic grounds.

Very similar conclusions are found in Plato, notwithstanding the fact that he is concerned to know, not whether war or peace is the more profitable, but which is the more favorable to the true life, the attainment of virtue. Regarding the soul, and all

[1] *E.g.*, Œcon., I, 15.
[2] Government of Athens, II, 1–3.
[3] *Ibid.*, II, 7, 8, 11; Thucy., I, 119.
[4] Revenues of Athens, ch. 1.
[5] *Ibid.*, 2, 3; Memor., II, 7.
[6] Revenues, ch. 5.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

pertaining thereto, as infinitely superior to the body, he naturally determines the worth of all things by their relation to these parts of men. By this criterion, accordingly, he measures war. In the *Republic* he shows in detail how war arises inevitably from the increase of population and the consequent competition of neighboring states for land.[1] From this it follows that, considered as an occupation, war, as also trade and hunting, is

> unproductive or acquisitive — since none of these produces anything, but is only engaged in conquering, by word or deed, or in preventing others from conquering, things which exist and have been already produced.[2]

This analysis of war leads inevitably to its rejection as the end of state activity. For this reason, in spite of the fact that his own ideal state is modelled on the Dorian institutions of Sparta and Crete, Plato severely condemns these states for their devotion to war — a condemnation which must have astonished his contemporaries, who saw in these states the fullest realization of the universal ideal, not less than it does the Spartan and Cretan interlocutors in the dialogue. His conclusion is that

> war, whether external or civil, is not the best, and the need of either is to be deprecated, but peace with one another and good-will are best. . . . No one can be a true statesman, whether he aims at the happiness of the individual or the state, who looks only or first of all to external warfare; nor will he ever be a sound legislator who orders peace for the sake of war, and not war for the sake of peace.[3]

Nevertheless, idealist though he is, and filled with a fine scorn of the military virtues, Plato does not dream of abolishing war. On the contrary, he clearly perceives that the least aggressive of states would still need protection, and he recognizes a decay of the military spirit as a symptom and cause of national decadence.[4]

Aristotle reaffirms in the main, and further develops, the doctrines of Plato. His criterion is the same — namely, the true life, the attainment of virtue. In the spirit of Plato's distinction

[1] Rep. II, 372, 373; VIII, 547, 548. Phædo, 66.
[2] Sophist, §§ 219, 222; Laws, § 823.
[3] Laws, I, 625, 626, 628, 630, 638; VII, 803, 829; VIII, 829.
[4] Statesman, 307; Rep. V, 470; VIII, 547, 548, 551.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

between Greek and barbarian, he justifies slavery, and also war for the acquisition of slaves, on the ground that "animate instruments are quite as necessary as inanimate" and that barbarians are intended by nature for slavery. Such a war he classes as a species of hunting, which is itself a part of the art of acquisition (*κρητική*). But while thus classifying and justifying war as a mode of acquisition, Aristotle emphasizes, even more than Plato, that it is only a means to an end, and that to sacrifice the end to the means, as is done in states organized solely for war, is the height of absurdity. And he closes his condemnation of the prevalent war economy with words whose profound wisdom the world has been slow to fathom.

> Facts as well as arguments prove that the legislator should direct all his military and other measures to the provision of leisure and the establishment of peace. For most of the military states are safe only while they are at war, but fall when they have acquired their empire. . . . First of all, men should provide against their own enslavement, and, in the second place, obtain empire for the good of the governed.[1]

It was only yesterday that Mr. Kidd interpreted to an astonished world, still under the spell of Cobden, what this last clause really means. But unfortunately, owing to Aristotle's prepossessions in favor of the primitive or "natural" mode of life and his prejudices against the division of labor and a money economy (*χρηματιστική*), which he considers "contrary to nature," he is led to condemn those industries which, not being subject to the law of decreasing returns, have largely released the modern world from the bondage to nature and the resulting pressure of imperious necessity that formerly rendered war perpetual. And for the same reasons he opposes the taking of interest, without which production obviously cannot be conducted on a scale large enough to bring into operation the law of increasing returns. Here, then, is the weak point in his system. He criticises Plato's proposal to maintain a stationary population through communism; he disparages the artificial industries which have, as he says, "power of indefinite expansion"; he fails to suggest

[1] Pol. I, 3–6, 8, 9; II, 9; VII, 2, 14, 15.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

any other means of equalizing production and population; and yet he condemns war. As well forbid the oak to heave up the soil or burst asunder the stones that impede its slow, but mighty, growth.

III.

The Romans were originally a pastoral people, and as such necessarily dependent on war to enlarge their pasture lands. The same condition confronted them during and after their transition to agriculture. War was, therefore, the normal condition; peace, the exception. *Beati possidentes* was a favorite legal maxim. In the words of Gaius: "Maxime sua esse credebant quae ex hostibus cepissent." Even after the transition to a money economy, marked by the social crisis in the fifth and fourth centuries,[1] the policy of conquest underwent no change. The first reason was the inland location of the city, which prevented commerce on a large scale and thus made war the only possible form of national expansion. The second and perhaps no less important reason was the force of habit, the power of tradition. The Romans were descended, so they believed, from the war god, and all the roots of their history were entwined with war. How should they tear themselves loose from their past, love what they had despised and despise what they had loved? "The commercial nations must work for us," they said. "Our business is to conquer them and levy contributions on them. Let us then continue war, which has rendered us their masters, rather than give ourselves to commerce, which has made them our slaves." Vergil's *debellare superbos* has the true Roman ring; so also have the words of Cicero, when he holds commerce disgraceful, and declares: "Rei militaris virtus praestat ceteris omnibus: haec nomen populo Romano, haec huic urbi aeternam gloriam peperit." His defense of conquest and of discriminations against the provinces breathes the same spirit.

At a later date, it is true, there was a slight reaction from these views, which remained, however, without practical effect. Cicero was moved by the authority of Plato and Aristotle to an

[1] Meyer, *op. cit.*, p. 24.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

inconsistent and half-hearted expression of peaceful sentiments.[1] The Stoics discarded the doctrine of a natural distinction between masters and slaves, thus leaving no theoretical justification for slavery. Seneca even has a violent polemic against conquest, as sentimental as St. Pierre.[2] With the dissolution of all social and national ties, and the growth of extreme philosophical individualism, the idea of universal peace made its appearance, arising, no doubt, from the legend of the golden age. Strabo discusses it and concludes that a permanent "balance of power" is prerequisite. Probus, attempting somewhat prematurely to dispense with an army, fell a victim to this ideal. But social corruption resulted, as in the time of Rousseau, in a passionate longing for an ideal "state of nature"; and this, reinforcing the current prejudice in favor of a natural and against a money economy, effectually prevented any analysis of the real causes of economic decay. Pliny, who had pointed out the most striking symptom of the disease,[3] nevertheless failed to get at the root of the matter; instead, he was carried away by the prevailing sentimentality of his age. Expressing the thought common to all his contemporaries, he interpreted literally Vergil's *auri sacra fames*, described each step in the manufacture of money, from the mining to the stamping of the metal, as a *scelus*, the cause of all evils and crimes, and finally exclaimed: "Quantum feliciore aevo, quum res ipsae permutabantur inter se."

Economic conditions and national traditions thus combined to foster the policy of conquest and exploitation. Its success exceeded the wildest dreams of avarice. Well could the Roman poet sing: "Now Rome is golden, since she possesses the mighty treasure of the conquered world."[4] All roads led to Rome; and all roads were but channels for the booty and tribute of the provinces. Millions of the conquered became slaves, who toiled for individual masters. Those who retained their liberty and property were none the less slaves, who toiled

[1] De Off., I, 11, 81.
[2] Diog. Laert., VII, 1, 122; Epict., II, 8; Seneca, Ad Luc., § 47.
[3] Hist. Nat., XVIII, 7.
[4] Ovid, Haleut., lines 7, 8.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

for a collective master, the Roman people. The provincials Cicero describes as "*in servitudine nati*"; the provinces, as "*praedia populi Romani*" and "*nervi rei publicae.*" They paid tribute in money, in grain, in soldiers; they equipped the fleet, clothed and fed the army; they gave contributions in a thousand forms; finally, stripped of money and of property, they borrowed back from the Roman capitalists, at fabulous interest, a portion of what they had paid as taxes.[1] The exploitation of the provinces, which began when the Roman armies returned laden with booty and when the best lands were declared public property, thus continued in a variety of forms after their submission, and grew more relentless with every passing year. However pursued, it was a part of the Roman *jus belli infinitum: ubi jus belli, ibi jus usurae.*

In Rome, therefore, the ideal of conquest was realized and embodied in unrivalled completeness and splendor. To unlimited power was added fullness of time in which to demonstrate, once for all, what are the fruits of a war economy — how he fares who eats his bread in the sweat of another's face. The long death agony of the Roman Empire, the hopeless decay, the inevitable end, over which Gibbon's stately style has shed a melancholy splendor, and for which so many profound reasons have been given, had, after all, a very simple and prosaic cause — *consumption exceeded production.*[2]

This condition was due to two chief causes. The first was the system of slave labor. As our own experience shows, such a system is of necessity unproductive. It demands great estates, few and simple crops, extensive cultivation and abundance of fresh land. At best it creates but a slight surplus over the cost of maintenance; and when fresh land is no longer available, so that intensive cultivation becomes necessary, it speedily ceases to create any surplus. It was the knowledge of this fact that spurred on the Southern leaders in the United States to extend slave territory; it was the operation of this

[1] Bruder, "Zur oekon. Charakteristik des röm. Rechts" (*Zeitschrift für die ges. Staatswissenschaft*, XXXII, 629–635).

[2] Roscher, Ansichten, p. 44; Kautz, Nationaloekon., I, 144, 148.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

law that, after Roman conquests ceased, transformed *servi* into *coloni*. In the mean time, so long as it exists, the slave system tends to destroy, or to prevent the growth of, a middle class and a free laboring class. There is no economic place in society for them. They stand outside the division of labor. Population is stationary, or even decreases; the natural resources of the country are not developed; capital plays little part in the process of production. While land and wealth fall into fewer and fewer hands, and a few colossal fortunes strike the eye, society as a whole grows constantly poorer, because only a part of the people work, and they only under compulsion. Truer words were never spoken than these of Pliny: "*Latifundia perdidere Italiam, jam vero et provincias.*"

The second cause for the excess of consumption over production was the absence of industry at Rome. Her trade was merely "to crush grain and men." This reduced commerce to the importation of tribute in kind or of goods bought with tribute money.[1] In consequence, the automatic character of normal commercial and financial relations was wanting, and there was a constant and increasing discrepancy between national production and national consumption. This made itself felt in several ways. On the one hand, the provinces, which paid over so large a portion of their annual produce, were impoverished and ruined; on the other hand, the Italians suffered the same fate through the forced competition of colonial produce. Thus the production of wealth steadily and rapidly decreased, both in Italy and the provinces; while at the same time the unproductive consumption of wealth grew apace through the largesses of corn, the increasing centralization of administration, and the multiplication of capitals, courts and officials. Moreover, since there was no export, except of money, there was a constant flow of precious metals to the Orient, beyond the frontiers, in payment for imported luxuries.

[1] Pliny, Hist. Nat., XII, 18; Tac., Ann., III, 53; H. von Scheel: "Die wirthschaft. Grundbegriffe im Corpus Juris Civilis," in the *Jahrbuch für Nationaloek.*, 1866, pp. 324, 329–335; Mengotti, Memoria sul commercio dei Romani: "I Romani non ebbero altro commercio che quello di transportare in Italia tutte le ricchezze . . . del mondo conquistato."

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

The consequence was a "money famine" of the most serious and far-reaching character. As prices fell, the payment of taxes became more and more difficult, and finally impossible, at the very time when the fiscal needs of the empire were rising by leaps and bounds. The Roman world was convulsed. The money economy, which had formed the basis for imperial administration, collapsed; the ancient natural economy reappeared. Tribute was increasingly paid in kind. Soldiers and officials received grants of land in lieu of salaries. Change of occupation became practically impossible. Society crystallized into a regular system of castes.[1] Feudalism was in process of development. But all in vain. The economic disease of which the empire was perishing had eaten too deeply into its vitals. Moreover, the cause still remained: consumption still exceeded production. The provinces were desolate, the people starving, the army scattered and broken, and the barbarians were at the gates. Need we wonder that they were received with open arms? Rome was a huge economic parasite, which had wound her tentacles about the provinces, sucking out their life-blood, until in destroying them she necessarily destroyed herself and sank lifeless in a desert of her own creation.

Among the northern barbarians we find a condition of things still more primitive than the Homeric age or the reign of Romulus. What the Gauls of Brennus and the Goths of Alaric were, that the Greeks and Romans had been when Athens and Rome were places without a name. War was universally conceived by them as the natural condition of man, existing *per se*, and constituting the most honorable source of gain. A Gallic chieftain first uttered that cry which became the Roman motto: *Vae victis*. And of the Gauls Cicero reports: "Galli turpe esse ducunt frumentum manu quaerere, itaque armati alienos agros demetunt." The Germans were, if possible, still more warlike, and avowed with naïve directness the purpose of conquest and exploitation which the Romans of that day had learned to cloak with plausible pretexts.[2] The

[1] Bruder, XXXIII, 695.

[2] Cæsar, De Bello Gallico, I, 36, 44; IV, 3; Tacitus, Germania, XIV; Livy, V, 36.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

cause for such opinions and practices was not human depravity, but economic necessity. For example, the Suevi, who, as Cæsar states, "lived very little on grain, principally on milk and flesh," waged ceaseless warfare to keep the country unoccupied for great distances in all directions, simply because without such pasture lands their herds and they themselves would perish. It was a question, not of vainglory, as Cæsar seems to intimate, but of self-preservation. The same thing is true of the great Celtic and Germanic migrations. The motive was not love of wandering nor lust of fighting: it was hunger.[1] When the land, as men understood how to use it, could no longer sustain the people, they were confronted with the grim alternative which, in some form, has stared the human race in the face at every stage of barbarism and of civilization, namely, migration — that is, war — or starvation. Sometimes they had recourse to the ancient Aryan custom, known also in Greece and Italy, called the *Ver Sacrum*: youths chosen with religious rites would go forth, a band of Ishmaelites, to find new homes or to perish, as the fortune of war decided. Sometimes, when hard pressed, the entire nation would join the migration. It was thus that the Gauls under Brennus, and the Cimbri and Teutones entered the Roman Empire, having arms in their hands, but with the prayer for land constantly upon their lips. Let the Roman people grant them land, and they would be faithful allies. It was the same with the Helvetii and the Usipites and Tencteri, who matched their strength in vain against Cæsar's legions. And it was the same with the Marcomanni and with the invaders who finally overran the western provinces.

IV.

The later wars of the middle ages, after the close of the *Völkerwanderungen*, may be divided into four classes: 1. Defensive wars, against new invaders; 2. feudal or territorial wars; 3. the Crusades; 4. commercial wars.

[1] Arnold, Deut. Urzeit, pp. 251–260; Lamprecht, Deut. Gesch., "Die Völkerwanderungen"; Von Ihering, Evolution of the Aryan, pp. 159, 259, 383, 384.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Defensive wars originated in the attempt of tribes in less fertile lands to thrust themselves into the place occupied by the conquerors in the old Roman provinces and to appropriate the revenues derived from the subject population.[1] Notwithstanding local successes, such as those of the Northmen on the Atlantic, the Arabs in the south, and the Magyars and Turks on the east, these invasions were, on the whole, unsuccessful, and ceased altogether as soon as the industrial development in Europe had produced such a division of labor, and consequently such a social and political organization, as to give the defenders unquestioned military superiority. This organization was found, first, in feudalism and, later, in centralized states and standing armies based on a money economy. In both cases, however, while the foundation was economic, the active cause was military. The invaders were baffled, in the end, by the organization which their own assaults had called into existence. This was the case with the Arabs in Spain and France, the Danes in England, the Huns and Magyars in Germany.

Feudalism is the system in which a standing army, quartered on the tillers of the soil, is intrusted with the defense and administration of the country. War and government are both private undertakings. For a purely agricultural population, with a natural economy, there is no other solution of the problem. The peasants, scattered and occupied on the land, cannot be utilized for war; nor can soldiers or officials be paid except by grants of land. This explains the recurrence of feudalism in ages and countries so remote from each other as to preclude the possibility of imitation: for example, China, Japan, Assyria, Persia, Egypt, Abyssinia, Mexico, Peru. Moreover, feudalism is at once the result and the cause of war. As Laurent says: "La guerre est son unique occupation, c'est sa fonction sociale. . . . Chaque baron avait le droit de guerroyer, et il en usait, comme aujourd'hui tout individu emploie ses facultés dans le travail." Land being the only source of wealth, the only form of business enterprise was to acquire more land. To do this, there were only two means: marriage and war.

[1] Molinari, Grandeur et décadence de la guerre, pp. 42–48, 63.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Both were, therefore, pursued as systematically as any form of industrial enterprise is to-day. But a marriage involving landed interests almost invariably began or ended in war — a fact of which Austrian history affords striking examples, in spite of the well-known couplet commending Venus above Mars.[1] At bottom, therefore, the one form of business undertaking was war. It enriched the feudal lords through lands and serfs; it enriched their knights and retainers through booty and ransom. A war with France was long esteemed the only method by which an English gentleman could become rich. Throughout the middle ages, therefore, the military classes everywhere held fast to the ancient German belief in the rightfulness of acquiring wealth by force of arms — a belief clearly and tersely expressed in the Westphalian proverb:

Rüthen und Roven dat is gheine Schandh',
Dat dohn de Besten im ganzen Land.

The division of booty became finally a regular system of dividends yielding a large annual interest on the capital invested in military preparations. It was this vested interest of the nobility in the continuance of war that for centuries defeated every attempt to abolish private war. They had sublet their estates for the purpose of providing troops, until the land could not support so many non-producers, and war was the only business in which they could be employed.[2] The wars which the kings and princes waged with each other, and those which they carried on to crush the lesser nobles, belong to the same class of feudal wars, since they had the same origin, namely, rivalry for control of the revenues from landed estates.

The Crusades appear to stand in a somewhat different category, because of their avowed object and their connection with the church. In order to determine to what extent this was really the case, a brief glance at the history of Christian doctrines concerning war appears advisable.

[1] Bella gerant alii, tu felix Austria nube,
Quae dat Mars aliis, dat tibi regna Venus.

[2] Vita Heinrici IV Imperatoris, cap. 8.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

The early fathers of the church regarded war and Christianity as quite irreconcilable. This view was held by Clement of Alexandria, Tertullian, Origen, Lactantius, Basil, the Manichæans and especially the Montanists.[1] Nevertheless, from the first many Christians did enlist.[2] And the reconciliation of the church and the state under Constantine quickly produced the result usually observed when opposition parties, either political or ecclesiastical, come into power — a tendency radically to modify, and even to reverse, the views previously held. The chief advocates of the legitimacy of war were St. Ambrose and St. Augustine. The former allowed war in defense of property and country. The latter, although deprecating war and slavery, nevertheless justified both.[3] From this time the military party in the church constantly grew, and the peace party declined, until the time of the Crusades, when the military spirit was blended with religious fanaticism, the clergy and the army were fused in the religio-military orders, and the *bellum Dei* replaced the *treuga Dei*. This change in conceptions and doctrines is clearly exhibited in the citations collected in Gratian's *Decretum*, dating from 1150, when the change was complete and the church militant in undisputed possession of the field.[4] At the time of the Crusades, therefore, as well as during subsequent centuries, the representatives and spokesmen of the established order, in church and state, were committed to the defense of war. Those of the schoolmen[5] especially, who sought to prove the harmony of reason and revelation, and the divine origin of the existing social and political order, naturally framed their theories of

[1] Gibbon, Decline and Fall, ch. 16; Herzog, Real-Ency. für protest. Theologie, "Krieg"; Nys, Le droit de la guerre et les précurseurs de Grotius, pp. 24, 82.

[2] Tertullian, Apol., § 42, "Navigamus et nos vobiscum et militamus."

[3] "Quid culpatur in bello? An quia moriuntur quandoque morituri, ut dominentur, in pace victuri? Hoc reprehendere timidorum est, non religiosorum." Contra Faustum, lib. xxii, cap. 74, 75. *Cf.* Epist., 207, Ad Bonif., and De Civitate Dei, lib. iv, cap. 15, xix, cap. 7. Also Isidorus, Etymologiae, lib. v, cap. iv–vii; Nys, pp. 73, 74, 113; De Maistre, Soirées de St. Petersbourg, II, 20.

[4] Secunda pars, causa xxiii, quaestio prima: "An militare sit peccatum."

[5] *Cf.* St. Thomas Aquinas, Summa Theol. secunda secundae, quaestio lx, "De bello."

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

war on contemporary practice; and their successors, the jurists, followed their example in this respect.[1]

Current medieval doctrines, therefore, ecclesiastical as well as secular, tended rather to accentuate than to obliterate the business side of the Crusades. And certainly there is little in the conduct of the Crusaders, or in their letters, to indicate that they had generally left behind them the motives and passions which found expression in other medieval wars. It is true that their imaginations were fired by pictures of the hardships of pilgrims and the desecration of holy places; but they were also fired — and much more effectually, it would appear — by tales of the fabulous wealth of the Orient, of the gold and silver and beautiful women awaiting the hand of the spoiler.[2] All the kingdoms and riches of the infidels belonged by right to Christians, whose privilege and duty it was to seize them without delay.[3] Men were the more inclined to accept this invitation because, in spite of pestilence and war, the population of Europe had already reached a point where the law of decreasing returns began to inflict hardship. The younger son, who remained a social problem and danger for the next five centuries, and later played so notable a part in the conquest and colonization of the New World, had already made his appearance. Where land was entailed, and no wilderness remained in which to carve out new estates, he was driven forth to seek a livelihood by his sword. Where subdivision had been practiced, holdings had grown so small that the revenues no longer supported the feudal tenants in their accustomed mode of life; whence arose oppression of the peasants, who were impoverished to make good the deficiency, but in spite of this many of the feudal lords had fallen hopelessly in debt. From all these causes there resulted a dangerous social ferment and unrest; landless and impoverished men of every class stood ready for any undertaking, however desperate, that promised relief from

[1] *Cf.* Giovanni di Lignano, De bello: "Bella provenisse a Deo mediante machina coelesti naturaliter operando" (Nys, p. 77). Grotius, De jure belli ac pacis, I, 2, § 4.

[2] "Amor auri et argenti et pulcherrimarum foeminarum voluptas." — The Emperor Alexis to the Count of Flanders.

[3] Brunus, apud Nys, pp. 95, 96.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

their misery. To all such the Crusades seemed indeed a call from heaven. But when experience showed that the difficulties were greater and the rewards less than had been supposed, the crusading zeal flagged, and it became necessary to offer greater and greater bounties, not only spiritual, but also and especially material in character. Finally, as Molinari acutely remarks : "Lorsque l'expérience eût demontré que les croisades ne payaient pas — on y renonça et les guerres d'expansion des peuples de l'Europe ne recommencèrent qu'après la découverte de l'Amérique."[1]

The last class of medieval wars, — namely, the commercial — were intimately connected with, and in part a continuation of, the Crusades. The Italians had regarded the conquest of the Orient as a commercial venture ; the Venetians utilized the Fourth Crusade to establish their commercial monopoly at Constantinople. From this arose prolonged and desperate wars, especially between Genoa and Venice, whose common object was the advancement of their own commerce, through the destruction of a dangerous competitor. But such wars did not originate at that time, nor were they confined to Italy. No one can read Machiavelli's *History of Florence*, or the early chronicles of any medieval city, without perceiving that commercial rivalry shaped their whole policy. The history of the intricate and incessant wars between Pisa and Florence, which Guicciardini narrates at such appalling length, is merely an illustration of what went on all over Europe, especially in Italy, Germany and the Low Countries, where commercial interests were strongest. In fact, the history of the commercial cities, from the eleventh to the fifteenth centuries, reveals, on a small scale, all the features which have characterized the history of commercial nations from the fifteenth to the nineteenth centuries. The one all-important difference is that, by a wider division of labor and greater activity of the central government, the economic unit has grown from the city state to the national state.

[1] Grandeur, *etc.*, p. 49.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

V.

As the middle ages drew to a close and the spread of a money economy enabled rulers to replace feudal levies with standing armies, wars seemed to increase in magnitude and destructiveness. The task on which men labored was that of nation making, and nations are seldom born except on the field of battle. The existing conditions, social as well as political, all tended to war. The population, turned back from the East by the failure of the Crusades and the advance of the Turks, became increasingly congested. The social ferment and unrest which had preceded the Crusades was again abroad. Every land was filled with "sturdy beggars," whom the laws and the gibbet were powerless to control. The younger son was again a menace to social and political security. When Columbus happened upon America while seeking a new route to the Indies, these conditions facilitated the speedy conquest and permanent colonization of the New World. But the relief thus afforded was not sufficient: the social pressure precipitated the wars of national expansion, which began in Italy two years after the voyage of Columbus and continued, with short intermissions, for three centuries. And political theories faithfully reflected existing conditions. Machiavelli, Bacon, Raleigh, Grotius, Hobbes, Bossuet, Spinoza, Pascal — all held that war was conformable to the first principles of nature. However they differed in other respects, all publicists agreed in considering the state as an economic unit whose interests were to be advanced, as occasion offered, by commerce, tariffs and arms.[1] In other words, they held the Mercantile Theory. That this contained certain false ideas no one would deny, but the Mercantile Theory was nevertheless the only one suitable for the age.

In the tremendous struggle that was to decide which of the peoples should have room to grow, and thus in the end to part "the living from the dying nations," there were four periods. The first was marked by the Italian wars, from 1495 to 1559;

[1] Naudé, Die Getreidehandel-Politik der europäischen Staaten. (Berlin, 1896.)

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

the second, by the so-called religious wars, from 1559 to 1648; the third, by the series of contests between the maritime powers from 1648 to 1763, contests "carried on without truce or intermission among tropical islands and on strange seas, for colonies, commerce and the balance of power"; the fourth, by the Napoleonic wars, which Professor Sloane has shown to have been a continuation of the same contest.[1] And now, after nearly a century of comparative peace, we have recently seen the beginning of another, or fifth, epoch of strenuous international competition for commerce and colonies.

The Italian wars resulted from a conflict, not merely of royal ambitions, but also of national interests. Nominally territorial in object, they were at bottom largely commercial. Italy was rich, divided and weak — a condition sure to invite foreign interference. France was filled with that dream of Oriental commerce and dominion which is her heritage from the Crusades; and to this end control of Italy and the Italian fleets was prerequisite. And Charles V waged war in Italy not by arms alone, but by tariffs; not merely in support of his claims as Emperor and as King of Spain, but also, and perhaps chiefly, as the ruler and representative of the Low Countries, who saw in the Italian cities their most dangerous competitors.

It was not otherwise with the religious wars. Sweden fought that she might control the Baltic. France aided Protestants in order to weaken the Habsburgs. The German princes changed sides as interest dictated. Holland grew rich from the plunder and commerce of her foes. Schmoller even declares: "The heroic struggle of the Dutch displays itself, when looked at in a 'dry light, as a century-long war for the conquest of East Indian colonies, and an equally long privateering assault on the silver fleets of Spain and the Spanish-American colonial trade." This reasoning applies with even more force to the English wars of the period. The Elizabethan sea kings combined religion, politics and business, with a keen eye for the main chance. And Cromwell, who inherited their spirit and plans, had, like them, a twofold quarrel with Spain. "On the

[1] "The Continental System," POLITICAL SCIENCE QUARTERLY, XIII, 212.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

side of Mammon he covets Spanish treasure. On the side of God, he is opposing Antichrist." [1]

Out of the religious wars, therefore, grew the national commercial wars which filled the last half of the seventeenth century and all of the eighteenth century. They all arose from one and the same cause — the effort to maintain, or to break down, a monopoly of trade. At first, since Spain claimed and energetically enforced a monopoly of the New World, the other maritime powers made common cause against her. This was especially true in the West Indies, where the buccaneers — English, French and Dutch — went trading or fighting as occasion offered, privateers in war, pirates in times of nominal peace, but always with the sympathy and support of their compatriots in the colonies, and always, whatever their disagreements, the sworn enemies of Spain. They furnish, indeed, a most interesting example of the survival upon the sea of that ancient belief in the rightfulness of private warfare which rendered piracy almost as respectable a calling in the days of Drake and Morgan as it had been in the time of Odysseus or Rollo of Normandy. By 1650, however, the Spanish sea power was broken; and Cromwell, who secured in Jamaica the naval base indispensable for English operations in the Caribbean Sea, at once threw down the gage of battle to Holland, then mistress of the seas.[2] For the Dutch, having ousted the Portuguese and Spaniards in the East Indies, had adopted and even extended the restrictive and violent measures whereby their predecessors had destroyed the Arabic commerce.

But this duel with Holland was soon overshadowed by the growing industrial and commercial preponderance of France, which forced England and Holland to unite for self-preservation. This occurred first in 1668, when the Triple Alliance checked the conquests of Louis XIV in the Netherlands. In the war of the Palatinate (1689–97) the English and Dutch again fought side by side against the common foe; and at La Hogue their fleets wrested from France the mastery of the

[1] Egerton, Short History of British Colonial Policy, p. 65. (London, 1897.)
[2] Seeley, Expansion of England, pp. 146–148.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

sea. In the war of the Spanish Succession (1702–13) the same struggle was continued, to the decided advantage of England, who obtained Gibraltar and portions of Canada and the West Indies. In addition, she acquired valuable commercial right in Portugal by the Methuen Treaty, and in the Spanish colonies by the famous Assiento Contract, whereby a legal, although limited, right of participation was granted in the lucrative Spanish-American trade. This war was undoubtedly a "commercial success," so far as England was concerned. So greatly was commerce stimulated that the wildest speculation ensued, culminating in the South Sea Bubble, which burst in 1721. In spite of this, however, commerce and industry continued to expand. But in 1733 France and Spain concluded a family compact, whereby the latter bound herself to transfer to France the share in the Spanish-American trade then held by England under the Assiento Contract, and both pledged themselves to oppose England's commercial and colonial expansion. This compact led to war with Spain (1739–48), which merged into the War of the Austrian Succession. The war was waged in America, India, Europe and on every sea. The treaty of Aix-la-Chapelle restored English rights under the Assiento Contract, and confirmed her possession of Acadia. But it settled none of the questions which had produced the war. It was therefore a truce, not a peace. Fighting was soon resumed in America over the control of the Ohio Valley without a formal declaration of war. The fundamental issue in the Seven Years' war (1756–63) was, "whether maritime and commercial supremacy for the next hundred or two hundred years should belong to England or France." The success of England was decisive. Spain and Holland had long since fallen behind; now France, the last of her rivals, was stripped of colonial dominions.

The English trade grew by leaps and bounds. The enormous demand for manufactures stimulated the genius of her artisans and produced the era of great inventions, which in turn revolutionized the industry of the world and established England's supremacy for a century to come. So far did she

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

distance all possible competition through these new methods that she could safely discard and disown the very means by which she had attained this supremacy. This fact is the economic foundation of the free-trade doctrine which Adam Smith proclaimed and which henceforth became increasingly popular. But for a half century more the Mercantilist tradition retained its ascendency in the councils of state. The thirteen colonies were driven to revolt in large part by the pressure of this economic system which they had outgrown. For while they had previously prospered under the system of mutual monopoly, as the French Antilles still prosper, they now found that, with increase of numbers, the market of the home country no longer absorbed their surplus products at a profitable price. The war of the Revolution had, therefore, the same origin as the other colonial wars of the two preceding centuries. England fought to retain her monopoly, the colonists to break it, and France and Spain to destroy the British Empire in the hope of regaining their lost dominions. It was this purpose that dictated their secret proposal to England that the colonists be confined between the mountains and the sea. And it was the same purpose which caused the intrigues of France with the discontented Western settlers, through citizen Genet and others, aiming to win them to French allegiance and thereby to recover the Mississippi Valley. Nor did this purpose cease to animate French policy, and to constitute a danger for the United States, until the Louisiana purchase. That England also continued long to cherish the same hope, is shown by her retention of the Western forts. The war of 1812 really formed the closing episode of the Revolution.[1]

The wars of the French Revolution began, as all the world knows, in a conflict of democracy and monarchy. But other and more material reasons lurked in the background from the start; and, as time passed, these became more and more prominent. The Girondists precipitated the first war, in order to fortify their own position by gratifying the traditional French

[1] Rives, "Spain and the United States in 1795," *American Historical Review*, IV, 62.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

craving for conquest. England was drawn into the contest because the French conquests menaced her commerce. And under Napoleon the war became a duel between England and France for the commercial empire of the world. This is the reason why Napoleon undertook the campaign in Egypt and Syria and planned with the Czar an attack on India. For the same reason he instituted the Continental System for the destruction of English trade, while England retaliated with the Orders in Council, designed to crush French industry. For the same reason both parties plundered American commerce, whose growth filled them with envy and alarm. The final victory of England was due to the fact that the great inventions called forth by her commercial opportunities, which in turn resulted from success in previous wars, had given her such a start in industry that her colonies lately in revolt bought more from her after the Revolution than ever before, that Europe could not dispense with her products and that even Napoleon himself was forced to connive at smuggling of English goods in order to supply his army. And her victory in war left England in a position of industrial and commercial supremacy which has enabled her to feed her growing population abundantly, while the millions of the Continent hungered, and to maintain her position as the first of European nations against all comers.

VI.

War for commerce thus culminated in the conflict which centers about Napoleon. But it did not altogether cease with his fall. It is true that in continental Europe a new coloring was given to most of the wars which followed through the development of the sentiment of nationality. But this was itself conditioned by economic changes consequent upon the belated development of national economies out of the smaller economic units. The most powerful cause in the consolidation of Germany and Italy was, thus, the same which led to the transformation of the United States from a league of states into a federal state — namely, the pressure of economic interests,

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

as embodied in commerce. This motive appears even more clearly in the invasion of Algiers (1830); the Crimean war, waged by England in defense of the route to India; the Chinese wars (1857–60); and, finally, in the invasion of Mexico (1861–67). The leading objects of this undertaking, as defined by Napoleon III in a letter to the French commander, were:

(1) To place obstacles in the way of the absorption of this part of Mexico by the United States and (2) to prevent the great Anglo-Saxon federation from becoming the sole medium and the sole mart for the commodities and the commerce of the North American continent.[1]

But these commercial wars of the nineteenth century are scattered and trivial episodes, compared with those of the preceding century. After the overthrow of Napoleon, as Schmoller points out, "another spirit begins to make its way in commercial policy and in international morality." The sources of this change were two: political events and philosophic doctrines. The revolt of the American colonies, English and Spanish, was a staggering blow to the old colonial system. And the increase of commerce between the United States and England after their separation convinced men that the old system had been from the start the creation of supreme folly, defeating the end it was intended to serve. On the other hand, "ideas of a humane cosmopolitanism began to instil into men the thought of a change of policy in the economic struggles of European states at the very time when the international rivalry had reached its highest point."[2] These ideas were in part, perhaps in the main, merely an application to politics of the philosophical individualism of the *Aufklärung;* in part, also, they were the offspring of a distinct theoretic movement, hostile to war, which had gathered momentum for several centuries past.

During the middle ages, when the military spirit first mastered the church, Emmery de la Croix wrote a remarkable work, in which, for the first time since the advent of Christianity, peace

[1] Quoted in Gallaudet's International Law, p. 94.
[2] Schmoller, p. 79.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

was advocated on economic grounds. From that time until recent years, amidst the wars and rumors of wars, there has been an unbroken succession of peace advocates. Since the partisans of the established order in church and state had undertaken the defense of war, these advocates of peace have naturally appeared, for the most part, among dissident sects and parties.[1] It was Dante, the exiled Ghibelline, who first gave worthy expression to the ideal of universal peace through a universal monarchy. A contemporary of Dante, Marsilius of Padua, at heart a republican and a Protestant, ably seconded Dante's appeal. Toward the end of the same century, Wicliffe in England and Raoul de Presles in France assailed the military spirit, especially in the church. The latter denied the rightfulness of all aggression, expressly condemning the Crusaders on this ground, and concluding: "Bella geramus ut pacem habeamus; esto ergo bellando pacificus." But it remained for Erasmus, with all the power of his genius, to sum up the ethical and religious objections to war, in a passionate invective and appeal which has always remained the arsenal of the peace party. Unfortunately, as in most works of its class, the appeal is mainly, if not exclusively, to the feelings.

A century later the same idea, with more emphasis on the economic side, was taken up by Sully, who drew up a plan for "la paix perpétuelle de l'Europe." If he is to be credited, Henry IV really intended to anticipate the Czar in calling a Peace Conference — after he should have rearranged boundaries according to his own ideas. Tommaso Campanella, who reveals the plan of the imperialists in the Thirty Years' War, expected universal peace under a universal Spanish monarchy, after all heretics should have been exterminated. William Penn, in his *Plan for the Peace of Europe*, makes a serious and well-considered argument for peace, based chiefly on the economic damage caused by war. The Abbé de Saint Pierre, who derived his

[1] For example, the Christians in ancient times, and more recently the Vaudois, Lollards, Anabaptists, Mennonites, Quakers and Philippones. Such of the reformed sects as became state churches immediately took up the defense of war. *Cf.* Luther, "Ob Kriegsleute auch in seligen Stande seien Künden," and Art. 16 of the Augsburg Confession. The same principle applies to political parties.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

ideas from Sully and through him from Erasmus and Emmery de la Croix, published in 1713 an intolerably diffuse and sentimental *Projet de paix perpétuelle*, providing for a grand alliance, to prevent war by mediation. The combined effect of the ruinous wars just ended, the individualistic philosophy of the *Aufklärung* and the sentimentality of the age gave this work quite a vogue. Its influence may be traced in Swift's bitter satires and also in those of Voltaire, in spite of his mocking verse concerning the worthy abbé. Rousseau was also deeply influenced, as may be seen in his *Extrait du projet de M. L'abbé de St. Pierre*, in the *Contrat social*, and the fragment entitled — *Que l'état de guerre nait de l'état social.*

Montesquieu, while justifying war and conquest, argued that the relative equality of nations had rendered them unprofitable. Necker embodied in his report on the finances of France an eloquent argument against war, largely from the economic standpoint. Our own Franklin reproduced the same ideas. Jeremy Bentham wrote a *Plan for a Universal and Perpetual Peace*, advocating disarmament and a court of arbitration whose moral influence should sway nations. His chief reliance in moderating the belligerent spirit natural to man was the freedom of the press!

Mirabeau, on the eve of the French Revolution, saw near at hand the era of universal peace, and Condorcet repeated the same prophecy, with even more assurance, after the war had begun. Kant, approaching the subject from the side of character, maintained, on the contrary, that war developed the qualities which made for culture, while prolonged peace enervated and debased men.[1] This argument has been frequently repeated and amplified by men who have had little in common, except that they approached the question from the ethical or social, rather than the economic, side.[2] But five years later, in the midst of the great war (1795), Kant wrote another and more

[1] Kritik der aesthetischen Urtheilskraft (1790).

[2] So W. von Humboldt, Hegel, De Maistre, Cousin, De Quincey, Lasson, Proudhon, Ruskin, von Treitschke, Funck-Brentano, Strauss, Jähns, Bradley, von Ammon, Mahan.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

famous work — *Zum ewigen Frieden* — in which he cast about for means of arresting war, and found it in that which he had formerly despised, namely, commerce. In the state of nature, war was the normal condition; but organized society, he held, tends to peace. The mechanical course of nature, he affirms, "visibly exhibits a design to bring forth concord out of the discord of men, even against their will. This is effected by the commercial spirit, which cannot exist along with war, and which sooner or later controls every people." Through this work Kant became the father of a spiritual progeny of quite another character, including most of the peace propagandists during the last century.

The spread of this peace theory has been powerfully aided by the prevalent philosophical doctrines. The adhesion of the economists, in particular, was secured on this ground. Theology had given way to metaphysics. The Deity reigned, but he did not rule. Nature, with a capital N, was now the active ruler of the universe. Nature was good; to doubt it was to doubt the goodness of God. Man, on the contrary, was bad, having been corrupted by society. To the Physiocrats, as to Rousseau, everything was perfect as it came from the hand of Nature; man alone was the inventor of evil. There was a preordained natural harmony in the universe — a harmony that man could ruin by his meddling, but was powerless to alter or improve upon.[1] War, being an effort of man to control the natural course of events, was a disturbance of this natural harmony; wherefore the conclusion was clear — *laissez faire, laissez aller.* This was the faith which passed with that famous phrase into classical economy. The conclusions implied in the theory of Adam Smith were drawn with logical rigor by his successors.[2] So Bastiat in his *Harmonies Économiques*, the Philosophical Radicals, the Manchester School of Cobden, Bright, and their latter-day followers, whom Cossa calls the "Optimists."[3]

[1] Ritchie, Darwinism and Politics, p. 6; Natural Rights, p. 45.

[2] Clarke, Defects of the Old Radicalism (POL. SCI. QUART. XIV, 69, 84, 85); Rogers, Cobden and Modern Political Opinion (1873); Ritchie, Darwinism and Politics, pp. 8, 19.

[3] For example, Laveleye, Molinari, Rogers, Sumner, Goldwin Smith, Godkin, Leroy-Beaulieu, Novicow, Ferri, Jean de Bloch.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

But in a progressive condition of society all philosophical doctrines are in a state of unstable equilibrium; and it was not long before this natural-harmony theory of the universe began to totter. In the first place, experience soon proved that the supposed identity between the interest of the individual and the interest of society at large is not nearly so complete as had been assumed. It was this discovery that led John Stuart Mill to depart farther and farther from the orthodox economic creed. Then the demonstrated fact of evolution tended to end the old dualism of man and nature by absorbing man in nature. It no longer sufficed to explain war as a human interference with the harmony of nature; and this, not alone because the analogy of warfare with the struggle for existence in other species was too obvious to be mistaken, but because, if man is a part of nature and subject to natural laws, it is a logical absurdity to speak of him as disturbing the harmony of nature. It therefore became necessary to regard war as a natural process, instead of a human interference with the beneficent designs of nature. In order to do this, and at the same time maintain the traditional view that war has no place in the world, as now constituted, recourse was had to the theory that competition in war, as a form of the struggle for existence, is destined to be succeeded by competition in industry. This is the point made by Mr. Spencer and Mr. Kidd, in their distinction between the military and industrial types of society. But events have most perversely refused, despite all the exhortations and lamentations and Jeremiads of Mr. Spencer and his followers, to move in the course marked out for them. The individual has become progressively less prominent in the realm of production and more prominent in that of consumption, while state activity, in place of decreasing, as required by Mr. Spencer's formula, has gone on increasing. The era of stateless competition of all individuals in one world economy, which Cobden believed at hand, seems farther from realization than ever. Even the biological analogy which Mr. Spencer so extensively exploited has turned against him, tending rather to show that increasing centralization, in place of decentralization, characterizes higher organisms, and consequently

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

that the type of society which he regards as the higher is in reality the lower. Finally, in addition to the silent crumbling away of the philosophical foundations of the cosmopolitan theory and its breakdown on a matter of such capital importance as the relation of the state to industry, has come its total discredit through the ascertained falsity of its economic assumptions. It was assumed (1) that England was destined to be the workshop of the world; (2) that free trade was to solve the economic (or social) problem; (3) that the world was soon to adopt the unrestricted exchange of products; (4) that the era of perpetual peace was close at hand, — all of which, being necessary inferences from the accepted doctrine of economic harmonies, as formulated by Bastiat, were formerly thought above discussion, but now are held beneath it.[1]

VII.

Once more, therefore, the relation of industry and war has become an open question; nor is a final answer probable in a world where *πάντα ῥεῖ*. But it can scarcely fail to throw some light on the matter, if we observe wherein each theory has been found wanting.

The fundamental error in the Mercantile Theory was the belief so tersely expressed by Montaigne: *Il ne se faict aucun proufit qu'au dommage d'aultruy.*[2] From this was derived the maxim attributed to Machiavelli, and consistently acted upon for centuries by all governments, — as it still is by horse-traders, according to Mr. David Harum — *quod tibi fieri non vis, id alteri tu primus feceris.* The existence of any community of economic interest between nations was not merely denied; it was not even suspected. That the policy dictated by such a theory was grasping and merciless goes without saying. That incalculable injury was inflicted upon the weaker party to every transaction was a result unavoidable under the theory. But that the stronger party suffered eventually even more than the weaker was the greatest of all possible surprises and

[1] Clarke, *op. cit.*, 84, 85. [2] Essais, I, 21.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

disappointments; for herein were revealed the fatal error of the theory and the doom of the whole system of statecraft based thereon. While all the nations pursued this policy for a season, it was in Spain and Portugal, and to a lesser degree in France, that it was followed out to the bitter end. The entire fabric of their colonial empires was reared on this foundation; because, being first on the scene, they naturally occupied the regions where returns could be most quickly obtained, and also because in them the Roman instinct of conquest and exploitation was strongest. The traditions of Sulla and of Verres awoke to life in their conquistadors and viceroys; by no other nation since the Romans has war been so openly and exclusively conceived as a business undertaking. The Spanish conquests were conterminous with the regions occupied by agricultural tribes, not alone because of the difficulty of subduing the nomads of the mountains, jungles or deserts, but also and chiefly because, even if subdued, such peoples could be made neither to work nor to pay taxes. In the conquered districts the Spaniards imposed themselves as a ruling class. They exploited the natives through the system of *repartimientos;* the king and his favorites exploited them through exorbitant taxes, enormous salaries, universal bribery and blackmail. Exclusion, prohibition, monopoly were the very life-blood of the system; small wonder that the Spanish Ambassador replied to Cromwell, seeking freedom of religion and of trade, that "the Inquisition and the monopoly of trade were his master's two eyes." They who will not learn must perish and make room for others wiser and stronger than they — such is the law of life. The white colonists, broken under a tyranny even more galling than they inflicted on the natives, declined in numbers, mingling their blood with the colored population, and lost the abounding energy and spirit of the conquistadors. There was no incentive to labor merely for the enrichment of greedy officials. Thus the flag of Portugal or Spain speedily came to signify a land of poverty, dirt and *mañana.*

Meantime, how fared it with the home countries? Receiving the enormous riches of the new world and the old, envied

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

by all nations as the favorites of fortune, they grew steadily poorer and sank into hopeless decay at the very time that Holland and England were growing to astonishing dimensions in riches and power. Strange enigma? Incomprehensible working of Providence? Not at all. The Spaniard reaped many fields which he had never sown; but this crop was of his own planting. The colonies were impoverished by taxes and extortions; the home country was impoverished by the resulting decay of industry. The wealth of Mexico, Peru and the Indies flowed away to other lands where wealth was produced for exchange, leaving Spain poorer by many lives and many millions, and above all poorer in the senseless pride and contempt of labor begotten of her apparent wealth. The empire of Spain has perished, the empires of Turkey, Portugal and France are perishing, of the same disease to which the Roman Empire succumbed: consumption exceeds production. Were Lord Bacon now on earth, he would doubtless revise his essay "Of Greatness of Kingdoms and Estates," wherein he cites the Romans, Turks and Spaniards as examples of greatness due to the pursuit of arms. They are examples, indeed, which it behooves men deeply to consider — above all, in France, Germany and the United States — examples which show most impressively how they thrive who would live by the labor of others, but not examples apt to provoke imitation.

The doctrine of mutual gain in commerce was promulgated by Adam Smith in the same year which saw the American Declaration of Independence. Within fifteen years after the Peace of Paris, the volume of British trade with the revolted colonies had doubled.[1] So signal a vindication of the new theory destroyed at one blow the whole fabric of the time-honored mercantile system. The movement thus inaugurated continued to gain momentum for a century. Unquestionably it constituted "one of the greatest advances made by mankind" and tended strongly to humanize the relations of the nations to each other. But it is equally unquestionable that this theory overshot the mark, both in what it assumed and in what it denied. This was evident to clear-sighted men, even before the

[1] Davidson, England and her Colonies (POL. SCI. QUART., XIV, 39, 40).

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

culmination, from 1860 to 1875, of the free-trade and perpetual-peace movement; the last two decades have made its errors so evident that few not hopelessly wedded to their illusions hold the theory in its original unqualified form. Even the Cobden Club, at its last meeting, felt constrained, in view of the imperilled condition of British trade, formally to recant its peace-at-any-price creed and to advocate a "vigorous" policy in China and elsewhere. Cobden once declared that "no military success is worth so much as the conquest of a new commercial route." It is precisely for the conquest of commercial routes that wars are now chiefly waged.

The fundamental error in the peace and free-trade theory lay in generalizing the particular — in assuming, without further investigation, that what was true of England at a particular time would be true of England and all other countries at all times. Having acquired, by tariffs and by war, a monopoly of the world's markets, the new inventions which were stimulated by this enormous demand soon placed England beyond the danger of competition. The American Revolution, which destroyed her monopoly of markets, left her still a practical monopoly of the new industrial processes, and so English trade continued to expand. This event, which astounded the world, and England most of all, clearly showed that here the need for state aid and protection no longer existed; the free-traders immediately assumed that it never existed. Free trade was now obviously to England's advantage; the free-traders assumed that it was to everybody's advantage. England had become the workshop of the world; the free-traders assumed that she would always remain the workshop of the world. Yet to-day England remains the only free-trade nation — remains so because of her urgent need of cheap food and raw materials; and so dangerous has become the economic rivalry of other nations that the general adoption of free trade, whereby they too would secure cheaper food and raw materials, might well work her utter ruin. The fact is, as List clearly perceived, and even orthodox economists[1] now admit,

[1] Sidgwick, Elements of Politics, pp. 289, 290.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

that it may be to the advantage of a nation, by means of tariffs, (1) to resist an industrial change naturally impending or, more frequently, (2) to hasten such a change, because the persons affected could find no other occupation equally profitable, and the sum-total of national production is thereby rendered greater than under the régime of free trade. The other nations, especially Germany and the United States, acting on this principle, have built up industries of such magnitude that they are now able to wrest from the English the control of neutral markets. This is the meaning of the fabulous growth of German and American export trade, and the relative and even absolute decline of English trade, during the last decade. The dogma of the natural and necessary harmony of the interests of all nations is just as false as that of their natural and necessary antagonism. This dogma is true only so long as each nation has a natural monopoly in some one line of industry — as the free-traders erroneously assumed that England had in manufacturing. While competition is absent, commerce is, indeed, a bond of peace and good-will between those who buy and those who sell in return. But the moment that two nations embark extensively in the same line of industry, that moment commerce becomes a sword, dividing and setting at enmity those who are rivals for the same markets.[1] For of them it is true, as Montaigne declared, that no profit can be made except to the damage of another. The increase of one is the decrease of the other; the prosperity of one is the other's destruction. Such nations stand to each other as two Indian tribes when there is but game enough for one.

VIII.

What, then, is the future of war?

The fundamental fact in history is the law of decreasing returns. It is the source of the origin and development of

[1] *Cf. The Federalist*, n. vi; Bernard, "Growth of Laws and Usage of War" (Oxford Essays, 1856, p. 121); Blanqui, 428–433; Gibbins, Industry in England, pp. 69, 470–474; Shaler, "Natural History of Warfare," *N. Am. Rev.*, CLXII, 337, 338; Dicey, "War and Progress," *Eclectic Mag.*, 1867; Guyot, La Morale, p. 186.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

civilization ; for without the pressure of population on subsistence man would never have risen above the lowest savagery. It is equally and for the same reason the source of poverty and war. To equalize population and subsistence there are four possible means, two operating to check population, two to increase the available food supply. These are : (1) natural limitation of the population, as in India, by disease and famine, or artificial limitation, as in France ; (2) emigration ; (3) conquest ; (4) commerce. By conquest nations have obtained from other lands wealth not produced at home, without rendering an equivalent ; the fate of Rome and Spain demonstrates whither this leads. By commerce nations set the laws of constant and increasing against that of decreasing returns, exchanging manufactured articles for food to feed their surplus millions. It is in this way that England maintains, in greater comfort than exists elsewhere in Europe, a population not half of whom could be fed from her own soil. The superiority of commerce to conquest as an economic measure arises from the fact that it stimulates, whereas conquest for purposes of exploitation checks, production on both sides.

Commerce thus is capable, as Aristotle long ago declared, of indefinite expansion. But, nevertheless, it does not altogether escape the law of diminishing returns. In order that people may buy, they must have something to sell; and to this end they must produce more of some article than is absolutely necessary to their own consumption. Not only so, but the marginal cost of producing this quantity must be less than the marginal utility of the imported article. The labor-pain of production must be small compared to the pleasure of consumption, or people will not continue to produce. Obviously, this is a standard which varies from place to place. Throughout the tropical and subtropical regions, where the indisposition to labor is great and the pain of labor consequently high, it is this subjective limit which causes vast resources to lie undeveloped, checks production, keeps down commerce and drives plantation owners either to adopt some form of forced labor — as witness Java — or to abandon in despair the attempt

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

to exploit the natural resources of the country. To measure the probable commerce of such regions by their natural resources alone, without taking account of this subjective factor, the character of the people, is only to practice self-deception and court bitter disappointment.

On the other hand, in regions where the pain of labor is not held so great, production is pursued on a more intensive plan. This explains the anomalous fact that the countries having the largest production are often not those with the greatest natural wealth. But, inasmuch as every increase of agricultural production means a larger proportional increase of labor, *ceteris paribus*, there is always a point at which it ceases to pay. This, then, is the fixed or objective limit to production and consequently to commerce. As population increases, it therefore becomes progressively more difficult and finally impossible to create a surplus of agricultural products for purposes of exchange. When this point is reached, the country ceases to offer a market for manufactured goods, for the reason that there is nothing wherewith to pay for them; and the people are confronted with the old dilemma — starvation, emigration, war or manufacturing. In this way the number of manufacturing nations is constantly increasing and that of agricultural nations decreasing, the hunters multiplying while the game diminishes. The result is a rivalry for markets — that is, for the means to employ and feed the people — which grows fiercer day by day. A half century ago this contingency seemed remote enough; England, secure in her industrial and commercial supremacy, having already everything for which men fight, was passionately enamored of peace. To-day her monopoly is broken and her supremacy is passing; competitors are taking the work from her factories and the bread from her people; the habitable earth is parceled out and all the nations are arming by land and sea. For, strange as it may appear, the nations are still sadly lacking in that sweet reasonableness which should move them to yield, without a protest, to their betters.

Does all this portend the end of war? It is true that tariffs are used to-day with more effect than were armies in former

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

times. Weaker competitors are driven to the wall and forced out of the race. War of the most deadly character, war which ruins states and crushes nations, is waged without firing a shot. Added to this is the cost of armies and navies, which only the strongest can bear. Shall we therefore conclude, with M. Jean de Bloch, that war has become so expensive and deadly as to be impossible? His theory is plausible, but not convincing. Recent experience confirms the maxim that the more deadly the weapons, the less the slaughter; while the cost of war is one of the crucial tests in the struggle for existence, one of the means whereby the living are parted from the dying nations. It is true that the object and the character of war have changed. Conquests are no longer made, by civilized nations, for purposes of tribute; nor by the most progressive among them, for the purpose of exploitation through unequal commercial laws. If any lapse from the path of rectitude in this respect, they have their reward; no conquest can be permanently profitable to one side which is not so to both. Moreover, war is to-day, more than ever before, a conflict, not of arms, but of civilizations; the more complicated its machinery, the more it depends upon the intelligence and character of the man behind the gun, and the greater is the drain upon the resources of the nation. To the ancient motto, *Si vis pacem, para bellum*, another must therefore be added: *Si vis bellum, para pacem.* That nation is best prepared for war which best develops and conserves its energies. But all these changes, far-reaching though they are, do not, as is fondly imagined, tend to the abolition of war. The cause of war is as permanent as hunger itself; since both spring from the same source, the law of decreasing returns. So long as that persists, war must remain, in the last analysis, a national business undertaking, designed to procure or preserve foreign markets, that is, the means of continued growth and prosperity. *Chacun doit grandir ou mourir.*[1]

EDWARD VAN DYKE ROBINSON.

ST. PAUL, MINN.

[1] Vâcher de Lapouge: Les Sélections sociales, ch. 8.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

BRIEF BIBLIOGRAPHY OF WAR.

A. History and Bibliography.

Balfour: Cobden and the Manchester School. Essays. Edinburgh, 1893.

Barni: Histoire des idées morales et politiques au XVIII^e siècle. Tome i, p. 49 *seq.*

Delbrück: Geschichte der Kriegskunst im Rahmen der politischen Geschichte. I, Das Alterthum. Berlin, 1900.

Descamps: Le Droit de la paix et de la guerre. Paris, 1898.

Étienne: L'Idée de la guerre au 18e siècle. *Revue des deux mondes*, December, 1870.

Fester: Rousseau und die deutsche Geschichtsphilosophie. Stuttgart, 1890.

Goltz: The Conduct of War. London, 1899.

Holtzendorff: Die Idee des ewigen Völkerfriedens. Berlin, 1882.

Jähns: Geschichte der Kriegswissenschaft. München, 1889.

—— Heeresverfassung und Völkerleben. Berlin, 1885.

—— Ueber Krieg, Frieden und Kultur. Berlin, 1893.

Katscher: Friedensstimme; Anthologie des Friedens. 1896.

La Fontaine: Essai de bibliographie de la paix. Bruxelles, 1891.

Leroy-Beaulieu, Paul: Recherches économiques, historiques et statistiques sur les guerres contemporaines. Paris, 1869.

Letourneau: La Guerre dans les diverses races humaines. Paris, 1896.

Low: The Decline of Cobdenism. *The Nineteenth Century*, April, 1896.

Maurice: War. London, 1891.

Mohl, R. von: Geschichte und Litteratur der Staatswissenschaft, I, 446, Note.

Nys: Le Droit de la guerre et les précurseurs de Grotius. Bruxelles, 1882.

Pohler: Bibliotheca Historica-Militaris. 4 vols. Kassel, 1881 ff.

Prutz: Die Idee des allgemeinen Friedens. *Militärisches Wochenblatt*, Nr. 14. 1892.

Quesnel et Labbé: Les grands Artisans de l'arbitrage et de la paix. Paris, 1898.

Rogers: Cobden and Modern Political Opinion. London, 1873.

Trueblood: The Federation of the World, with a bibliography, pp. 154–162. Boston, 1899.

Vince: John Bright.

Walker: History of the Law of Nations. Vol. i. London, 1899.

B. Early Discussions.

Adams, John: On Universal Peace (1812). *North American Review*, III, 35.

Anonymous: Essai sur les préjugés. London, 1769.

Aristotle: Politics, Nicomachæan Ethics.

Bacon: Of Greatness of Kingdoms and Estates, Of Empire (1597).

Bentham: Plan for a Universal and Perpetual Peace (1788).

Bodin: La République, I, ch. 5 (1577).

Bossuet: Politique tirée de l'Écriture Sainte (1681).

Bouvet: La Guerre et la civilisation. Paris, 1855.

Buckle: Civilization in England, I, ch. 4 (1857).

Campanella: De Monarchia Hispanica (1610).

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

CARLYLE: Sartor Resartus, II, ch. 8.
CHANNING: On War, Works, III, 29; IV, 237; V, 107 (1816–38).
CICERO: De Off., I, 11, 12, 42, 80; De Rep., II, 3, 4, III, 9; Pro Murena, IX, 22.
COBDEN: England, Ireland and America (1835). What next — and next (1856)? The Three Panics (1862). Political Writings (1867), I, 292; II, 127, 191, 194, 198.
COMTE: Philosophie positive, IV, 488, 713; VI, 68, 424–436 (1840).
CONDORCET: Esquisse d'un tableau historique du progrès de l'ésprit humain (1794).
CONSTANTS DE REBEQUE: De l'Ésprit de conquête (1813).
COUSIN: Histoire de la philosophie (1840), Leçon IX.
DANTE: De Monarchia, I, 4, 10 (ca. 1310).
DE MAISTRE: Les Soirées de St. Pétersbourg, II, 20 (1821).
DE QUINCEY: On War (Narrative Papers, 1850).
DE TOCQUEVILLE: Democracy in America, II, 284 (ca. 1835).
EMERSON: War (Miscellanies, ca. 1840).
EMMERY DE LA CROIX: Le nouveau Cynée. Discours des occasions et moyens d'établir une paix générale.
ERASMUS: Antipolemus: Querela pacis undique gentium ejectae profligataeque (1516).
FICHTE: Der geschlossene Handelsstaat (1800).
FRANKLIN: Works, II, 487; VIII, 417; X, 26 (1780–85).
FREDERICK II: Examen de la "Essai sur les préjugés," Œuvres, IX. Dialogue des morts entre le prince Eugen, Milord Marlborough, et le prince de Liechtenstein, Œuvres, XIV (1770–73).
GRATIAN: Decretum, II, 23.
GROTIUS: De Jure Belli ac Pacis (1625), I, cap. 2; *cf.* Old South Leaflets, No. 101.
HARRINGTON: Oceana, III (1656).
HEGEL: Philosophie des Rechts, III, § 324 ff. (1821).
HELPS: Friends in Council, 2d Series, II (1859).
HESIOD: Works and Days, 11–26.
HOBBES: De Cive, I, 12, 14 (1642); Leviathan, De Hom., XIII.
HUME: Political Discourses (1752): *viz.*, Commerce; Balance of Trade; Jealousy of Trade; Balance of Power; National Character; Politics a Science.
JAY, WILLIAM: War and Peace. New York, 1842.
KANT: Kritik der aesthetischen Urtheilskraft (1790). Zum ewigen Frieden (1795). Principles of Politics (Scribner).
LAMARTINE: Marseillaise de la paix (1841).
LASSON: Das Kulturideal und der Krieg. Berlin, 1868.
LEIBNITZ: Brief an Grimarest über St. Pierre's Projet.
LOCKE: Civil Government, II, ch. 3, 4, 16 (1689).
LUTHER: Ob Kriegsleute auch in seligen Stande seien kuenden.
MACHIAVELLI: The Prince (ca. 1515), chs. 3, 14; History of Florence, VI, 1.
MACNAMARA: Peace Permanent and Universal. London, 1841.
MARSILIUS OF PADUA: Defensor Pacis (ca. 1324–36).
MILL, J. S.: Non-Intervention (Dissertations, vol. iii).
MONTESQUIEU: Lettres persanes, No. 95. Réflexions sur la monarchie Universelle. Considérations sur les causes de la grandeur et de la décadence des Romains (1734). L'ésprit des lois (1748), I, 3; X, 2, 3, 6, 7; XV, 2, 5.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

MORE: Utopia (1516), I, Achorians, II, Military Discipline.
MORRIS: Hegel's Philosophy of History, pp. 105–110.
NECKER: Finances of France, III, chs. 34, 35 (1781).
ODYSSE-BAROT: Lettres sur la philosophie de l'histoire, Nos. 1–9. Paris, 1864.
PARKER, THEODORE: Sermon on War. Boston, 1846.
PASCAL: Pensées, IV, 7 (1692).
PENN: Plan for the Peace of Europe (1693); *cf.* Old South Leaflets, No. 75.
PLATEN VON: Wehrverfassungen, Kriegslehren und Friedensideen im Jahrhundert der Industrie (1843).
PLATO: Phaedo, Republic, Sophist, Laws, Statesman.
PROUDHON: La Guerre et la paix (1869).
RALEIGH: A Discourse of War in General (1614), Works, II, VIII.
RAOUL DE PRESLES: Songe de Verger (ca. 1376).
RICHTER, JEAN PAUL: Friedenspredigt an Deutschland (1808). Kriegserklärung gegen den Krieg (1809). Politische Nachklänge (1832).
ROUSSEAU: Extrait du projet du M. L'Abbé de St. Pierre. Du contrat social, I, 4 (1761).
RUSKIN: On War (Crown of Wild Olives, 1865).
SCHLEIERMACHER: Die christliche Sitte, S. 273 ff. (ca. 1806).
SENECA: Ad Luc., 47; *cf.* Laurent, Études, XVIII, 588, 589.
SMITH, ADAM: Wealth of Nations, V, I, § 1 (1776).
SPINOZA: Eth., IV, 11; Tract. Pol., II, 4, 11, 13, 14, 15, 17; III, 3, 13, 14; VI, 35; Tract. Theol.-Pol., XVI (1677).
ST. AMBROSE: De Off. Clericorum, I, 7.
ST. AUGUSTINE: Contra Faustum, XXI, 74, 75; Ep. Ad. Bonifacium, 207; De Civitate Dei, IV, 15; XIX, 7.
ST. PIERRE: Projet de paix perpétuelle (1713).
ST. SIMON: Lettres d'un habitant de Genève à ses contemporains (1803).
ST. THOMAS AQUINAS: Sec. Sec. Summae Theol., Quaes. XL: De bello.
SULLY: Mémoires, XXX, ch. 3 (1606).
SUMNER, CHAS.: The War System, Stipulated Arbitration.
SWIFT: Lilliput, 4–5; Brobdingnag, 6–7; Houyhnhnms, 5 (1726).
The Federalist: No. 6 (1787).
THONISSON: La Guerre et la philosophie de l'histoire (1860).
THUCYDIDES: History of the Peloponnesian War.
Vita Heinrici IV, Imperatoris, cap. viii.
VOLTAIRE: Siècle de Louis XIV. Essais sur les mœurs et l'ésprit des nations. Micromégas (1756).
WICLIFFE: Cruciata (ca. 1383).
WORCESTER, NOAH: Solemn Review of the Custom of War (1814).
XENOPHON: Economicus; Government of Athens; Revenues of Athens.

C. RECENT DISCUSSIONS (SINCE 1870).

ADAMS: The Law of Civilization and Decay. New York, 1897.
—— The International Struggle for Life. *Fortnightly Review*, February, 1899.
AGUANO, GIUSEPPE D': L'Abolition de la guerre. Milan, 1897.
AMMON: Die Gesellschaftsordnung, § 42. Jena, 1896.
AMOS: Political and Legal Remedies for War. New York, 1880.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

ANITCHKOW: War and Labor. Longmans, 1900.
ARNOLD: Die deutsche Urzeit, p. 255. Gotha, 1881.
BAGEHOT: Physics and Politics.
BELLAMY: Equality, chs. 24, 33. New York, 1897.
BLOCH: The Future of War. New York, 1899.
BOARDMAN: The Disarmament of Nations. New York, 1898.
BOGUSLAWSKI: Der Krieg in seiner wahren Bedeutung für Staat und Volk. Berlin, 1892.
BRADLEY: The Limits of Individual and National Self-Sacrifice. *International Journal of Ethics*, October, 1894.
BRELEY: Grandeur et décadence de la guerre. Paris, 1898.
BROCHER: Essai sur la philosophie de la guerre (1872).
CLODD: The Story of Creation.
CONANT: The Struggle for Commercial Empire. *Forum*, vol. xxvii, p. 427.
COQUEREL, ATHANASE: La guerre.
DEHN: Die kommende Weltwirthschaftspolitik. Berlin, 1898.
DEVAUX: Études politiques sur l'influence de l'état de guerre. Bruxelles, 1875.
DREYFUS: L'Arbitrage international. Paris, 1892.
DRUMNESNIL, HENRI: La Guerre. Paris, 1872.
DYMOND: Essays on the Principles of Morality, 2d ed. Philadelphia, 1896.
ECKSTEIN: Kampf zwischen Mensch und Thier. Leipzig: Teubner.
FERRI: Il Militarismo. Milano, 1898.
FIAMINGO: The Conflict of Races. *The Monist*, April, 1897.
Foreign Policy of the United States. *Annals of American Academy*, Philadelphia, 1899.
FUNCK-BRENTANO: La Civilisation et ses lois, pp. 368–426. Paris, 1876.
GEORGE, HENRY: Progress and Poverty, X, ch. 3.
GIDDINGS: Principles of Sociology, *passim*. Democracy and Empire (1900).
GRASSERIE, RAOUL DE LA: Armées destructives et productives. Girard et Brière.
GUMPLOWICZ: Sociologie und Politik, pp. 97–103, 113–118. Leipzig, 1892.
HEYSMAN: La Guerre; son importance dans la vie du peuple et de l'état. Paris, 1898.
HOLTZENDORFF: Ency. der Rechtswissenschaft, §§ 1326, 1327.
HOWORTH: Plain Words about the Czar's New Gospel of Peace. *Nineteenth Century*, February, 1899.
KAMAROWSKY: Ueber die Friedensbestrebungen. Moskau, 1890.
LAPOUGE, VÂCHER DE: Les Sélections sociales, ch. 8. Paris, 1896.
LAROGUE: De la Guerre et des armées permanents. Paris, 1870.
LAVELEYE: Des Causes actuelles de guerre en Europe. Bruxelles, 1872. The Causes of War (Cobden Club Essays).
LEVI LEONE: War and its Consequences. London, 1887.
LONCAO, E.: Guerre e lotte di classe. *Rivista italiana di sociologia*, II, p. 633.
LORIMER: Institutes of Law, II, 5.
LOTZE: Microcosmus, vol. ii (Scribner).
LOUIS: La Guerre économique. Paris, 1900.
MABILLE, PAUL: La Guerre, ses lois, son influence civilisatrice. Paris, 1884.
MCCABE: Can We Disarm? New York, 1899.
MAHAN: The Interest of the United States in Sea Power.
—— Lessons of the War with Spain.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

MARKWICK: On War. *New Century Review*, February, 1899.
MARTIIS, COGNETTI DI: I due Sistemi della politica commerciale. Turin, 1896–97.
MAYR, G.: Wirthschaft und Krieg. *Bayerisches Industrie- und Gewerbeblatt*, 1871, Heft 3.
MOFFETT: Ultimate World Politics. *Forum*, vol. xxvii, p. 665.
MOLINARI: Grandeur et décadence de la guerre. Paris, 1898.
—— La Guerre à coup de tarif. *Journal des Économistes*, August, 1897.
—— Les Conséquences de la paix armée. *Ibid.*, January, 1898.
MONGA Y PUGA, MARTINEZ DE: La Razon de la guerra. Madrid, 1879.
MORRIS: Man and his Ancestor; ch. "Warfare and Civilization" (Macmillan, 1900).
MOXOM: The Social and Moral Aspects of War. Boston, 1893.
NEWMAN, F. W.: The Ethics of War (Miscell., III, 54).
NIETZSCHKE: Also Sprach Zarathustra.
NORDAU: Philosophy and Morals of War. *North American Review*, December, 1899.
NOSSIG: Die Politik des Weltfriedens. Berlin, 1900.
NOVICOW: La Politique internationale. Paris, 1886.
—— La Guerre et ses prétendus bienfaits. Paris, 1894.
—— Les Luttes entre les sociétés humaines. Paris, 1896.
—— The Spirit of Conquest. *Popular Science Monthly*, February, 1899.
—— La Guerre éternelle. Paris, 1899.
OVINGTON: War and Evolution. *Westminster Review*, April, 1900.
PAINVIN: La Guerre de l'avenir — de M. Jean de Bloch. Paris, 1899.
PALM: Capital Punishment, with a chapter on War (Putnam).
PASSY, FREDERIC: Mélanges économiques: La paix universelle.
—— La Barbarie moderne.
—— La Question de la paix (1891).
PROAL: Political Crime, chs. 4, 6. New York, 1898.
RANZI: L'Esercito e la teoria del militarismo. Roma, 1898.
RICHET: Les Guerres et la paix. Paris, 1899.
ROGERS: War and Peace (Cobden Club Essays).
ROWE: Influence of War in Public Life. *Forum*, vol. xxvii, p. 52.
SALA: Esercito e militarismo (1898).
SCARABALLI: Causa di guerra en Europa e Rimedi. Ferrara, 1890.
SCHAEFFLE: Bau und Leben des socialen Körpers, I, 391–505. Tübingen, 1896.
—— Zur socialwissenschaftlichen Theorie des Krieges. *Zeitschrift für die gesammte Staatswissenschaft*, LVI, 2.
SCHLIEF: Der Friede in Europa. Leipzig, 1892.
SEECK: Geschichte des Unterganges der antiken Welt. Berlin, 1897.
SEELEY: Expansion of England, ch. 6, "Commerce and War." London, 1895.
SIDGWICK: Principles of Politics, pp. 164–166, 616, 623.
SPENCER: Ethics, I, 343–350; II, 21–24. Sociology, I, 544, 562, 586–588, 627; II, 473–492, 603–670; III, 107–118, 366, 367.
STEIN: Philosophie des Friedens. Berlin, 1899.
STEINBACH: Zur Friedensbewegung. Wien, 1899.
STEINMETZ: Der Krieg als sociologisches Problem. Amsterdam, 1899.
STENGEL: Der ewige Frieden (1899).
STINTZING: Macht und Recht: Rede (1876).

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

STRAUSS: Der alte und der neue Glaube. Leipzig, 1894.
TARDE: Les Lois d'imitation, pp. 327–333. Paris, 1896.
—— L'Opposition universelle, p. 390 ff. Paris, 1897.
TAYLOR: Study of War. *North American Review*, vol. clxii, p. 183.
TOLSTOI: Letters on War. Maldon, Eng., 1900.
TREITSCHKE: Historische und politische Aufsätze, II, 782 ff.
VACARO: La Lutte pour l'existence dans l'humanité (1892).
VAUGHAN: War (Putnam).
VILLIAUMÉ: L'Ésprit de la guerre, 3 ed.
—— La Politique moderne, ch. 14. Paris, 1873.
VIRCHOW: Krieg und Frieden. Berlin, 1877.
WALCKER: Die Interessenkämpfe. Zittau, 1897.
WALLACE: Militarism. The Wonderful Century. New York, 1898.
WELLS: Recent Economic Changes, pp. 268–287, 322, 323.
WILKINSON: War and Policy. Boston, 1900.
WISKEMAN: Der Krieg. Leyden, 1870.
WYATT: War the Supreme Test. *Nineteenth Century*, February, 1899.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

RECENT DISCUSSION OF TAX REFORM.

I.

IF it be true that economic discussions are usually the result of discontent with economic conditions, no further proof is needed of the unsatisfactory character of modern fiscal methods in the United States. In former years the appearance in this country of a new work on taxation marked an epoch. The reports of tax commissions were not only rare, but were for the most part fragmentary. With the increasing complexity of the problem, however, the literature has become more abundant, as well as more important; and within the last year or two there have appeared several scientific works which discuss the theory of the subject and a number of official reports which reflect the growing change in public sentiment.

In any catalogue of this recent literature the first place must be awarded to a work that is at once new and old — the stately volume of Mr. Wells, on *The Theory and Practice of Taxation.*[1] The phrase "at once new and old" is used advisedly; for the book is new, in that it is the result of the studies and experiences of a long and useful life devoted to public interests, and in that it deals with a problem which is perennially fresh; and yet the work is old, because it restates doctrines that have been associated with the name of the author for over a quarter of a century, and because Mr. Wells has been so deeply immersed in certain parts of the problem that he has been unable to turn his attention to some of its newer and more important phases.

To the merits of the book it is scarcely necessary to call attention. Mr. Wells had scarcely an equal in this country in the ability to marshal facts from out-of-the-way and recondite sources in an attractive manner, and to present his results in a style so simple and so clear that they were sure of attracting

[1] D. A. Wells, The Theory and Practice of Taxation. New York, D. Appleton & Co., 1900. — 648 pp.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

the notice of the public; while his long experience in dealing with the difficulties of fiscal administration afforded him a unique opportunity for approaching the problems from a practical standpoint. Moreover, his intense Americanism, and his recognition of the fact that in a democracy like ours the legal and constitutional aspects of economic problems are of supreme importance, always made him careful to call attention to the adjudications of the courts and to consider the whole problem in the light of possible legal changes.

All these characteristics of his work are well illustrated in the present volume. Mr. Wells has ransacked the records of fiscal practice, so far as they can be found in the literature of English-speaking countries; he gives fresh and attractive accounts of the system, or lack of system, as it exists or used to exist in countries so unlike as Mexico, Egypt and China; he draws upon his own store of rich experience in connection with the system of internal revenue in the United States; and, finally, his quotations from the leading tax cases in the state and federal courts are so full, and in some respects so well selected, that the book possesses a value for the lawyer only second to that which it has for the economist.

Nevertheless, with all its good points, the work is in some respects distinctly disappointing. It is not, indeed, written primarily for the student, and, therefore, we need not consider it as a shortcoming that the author's acquaintance with scientific literature is limited to works in English. But Mr. Wells, as is evident from the title, proposed to treat the subject from the point of view of theory, as well as of practice. Now, it is well known that Mr. Wells was not especially strong in theory; and, whatever can be said of the work, no one can accuse it of over-precision in systematic treatment. A cursory examination of the table of contents will suffice to convince any one of this. Mr. Wells possessed, indeed, so much common sense, such an instinct for what was practicable and expedient, that his conclusions are almost always better than his theory. It might almost be said of him that he was often correct in spite of his theory, and not because of it.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

His opinions are, as has been stated, precisely the same as those that were advanced by him thirty years ago; for the waves of recent economic discussion seem to have dashed unavailingly against his adamantine convictions. Thus, we still find it laid down as a fundamental doctrine that taxation for any other purpose than revenue is confiscation. His well-founded fear of the use of the taxing power for promoting private, rather than public, purposes drove him to the length of refusing to countenance the use of taxation for any public purpose other than revenue. It is significant, however, that we find in the entire book no allusion to the theory of high license or to the recent practice of American commonwealths in this respect. Mr. Wells is such an uncompromising partisan of free trade that he cannot afford to accept a principle which would even indirectly justify the imposition of a protective duty.

Again, we find among the maxims of taxation our familiar friend, the reciprocity or protection theory. It is true that Mr. Wells writes rather plaintively: "This assumption, it is believed, has been endorsed and accepted by every writer of repute on economic subjects who has discussed taxation, from the time of Montesquieu down to a very recent period." In the few lines that he devotes to the "very recent" doctrine, he complains that the antagonism to the old theory is wholly due to an inadequate comprehension of the subject; but, unfortunately, he does not aid us to a more adequate comprehension. Of a piece with this is the repetition of his familiar opposition to the theory of progressive taxation. He is somewhat hard-pressed, however, to find facts to justify his gloomy predictions; and, although he does refer in passing to the results in the Swiss cantons, which "are reported to have already verified the prophecies of the European economists," he does not attempt to explain how it is that the movement is commending itself more and more, not only to these Swiss cantons themselves, but to the European economists as well.

In the discussion of the distinction between direct and indirect taxes we meet the venerable error that direct taxes are compulsory and indirect taxes are voluntary — a statement

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

the inaccuracy of which has been so often and so effectually exposed as to need no further comment here. Although Mr. Wells tells us (on page 356) that the British tax system has been immensely improved in the past half century, through an extensive substitution of direct for indirect taxes, his opposition to any income tax is so strong that on page 516 he forgets what he has said before and approves Mr. Gladstone's statement as to the odious character of the impost which forms the very basis of the English fiscal system and which alone rendered possible the change from indirect to direct taxation.

The last three chapters of the volume are devoted to a restatement of the law of incidence and to the best methods of framing a system which will conform to this theory. Our old friend, the equal-diffusion theory, is again paraded in new and shining harness. Tucked away, however, on page 597 is a little sentence, the import of which must have escaped the notice of even the author himself. He says: "It is not, however, contended that unequal taxation on competitors of the same class, persons or things, diffuses itself." A statesman like Mr. Wells, who has been dealing with the practical details of actual tax systems in each of the fifty states and territories of this country, ought to have seen that, when to the inherent difficulties of making taxes under any one government precisely equal are added the complications of numerous competing jurisdictions, a theory based upon equal taxation has a very remote relation to actual problems. Even on the supposition of equal taxation, however, the strength of Mr. Wells's position can be gauged by his answer to the question he proposes on page 586: "Would an income tax on a person retired from business be diffused?" The reply is: "Yes, if the tax is uniform on all persons and on all amounts." For this statement the very convincing reason is adduced: "Would any one pay the same price for a railroad bond which is subject to an income tax, as he would pay for it if it was free from taxes?" It is such essential incapacity to grasp a theoretical proposition that has made Mr. Wells's reputation among scientific

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

thinkers rest on other grounds than the ability to draw logical conclusions from definite premises.

And yet, with all these evident shortcomings, Mr. Wells's practical inferences as to reform in state and local taxation are in harmony, so far as they go, with those of modern investigators. We say, "so far as they go," because, for aught that is found in the book, there is no such thing as a corporation-tax problem, or even an inheritance-tax problem, not to speak of many of the weighty problems of interstate double taxation. In respect to these, Mr. Wells has slept the sleep of Rip Van Winkle. To the extent, however, that a large part of the problem is now precisely the same as it was thirty years ago, the new book of Mr. Wells is both welcome and timely. Let us read it for the good that is in it, and not complain because it is not ideal. It is given to few writers to be strong in both theory and practice. Let us be thankful that in Mr. Wells we have a man who is not, like so many would-be authorities, weak in both.

While the book just reviewed belongs in large part to a bygone generation, the collection of *Studies in State Taxation*,[1] published by the Johns Hopkins University, is quite up-to-date. The studies, with the single exception of that devoted to Kansas, deal with Southern states — namely, Maryland, North Carolina, Mississippi and Georgia. As is inevitable in any such collection, the separate monographs are of very unequal merit. That of Dr. Adams on Maryland is one of the best. He points out that the relatively slow increase in the assessments of personal property is often due to other causes than merely the degeneration of the public conscience and the breakdown of the tax itself. He shows in an interesting way that some of these causes are to be found in changes in the theory of the tax, as well as in the growth of legitimate exemptions. Perhaps the most valuable general

[1] Studies in State Taxation, with Particular Reference to the Southern States. By Graduates and Students of the Johns Hopkins University. Edited by J. H. Hollander, Ph.D., Associate Professor of Finance. Baltimore, Johns Hopkins Press, 1900. — 253 pp.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

conclusion that forces itself upon the reader of all these monographs is a recognition of the fact that the United States is an immense empire, whose various sections are in essentially different stages of economic development and whose fiscal systems must, therefore, inevitably vary. Any conclusion which is true of the great industrial centres of the East and North is not necessarily and unqualifiedly true of those other sections. Just as the demand for a system of factory laws would be out of place in some of the Southern states, where the factory system does not exist, so the conclusions based upon the inadequacy of a general property tax for modern industrial conditions does not hold in those sections where modern industrial conditions do not exist. In emphasizing these points of difference, Professor Hollander and his students have done a good piece of work. It is not, of course, to be expected that the practical conclusions of the young authors should in other respects be of great scientific importance.

II.

In contrast to these publications by professed students of the problem, it may be interesting to call attention to the views of those charged with practical legislation on the subject. Most of the reports of tax commissions during the past decade are to be found in the Eastern states, for the simple reason that the problem has become more acute in that portion of the country. It is significant that discontent is now spreading to certain parts of the West and of the South. Of the four tax commissions of the last year or two, all but one are to be found there. The problems which are beginning to vex these states are those with which the East has long been familiar: the escape of intangible personalty, the unequal assessment of real estate, the failure of the mortgage tax, the difficulties connected with the taxation of corporations and the problems of interstate double taxation.

The Wisconsin Commission,[1] in their report, take up most

[1] Report of the Wisconsin State Tax Commission, 1898. Madison, 1898.—276 pp.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

of these topics. As is unfortunately too often the case with such official bodies, the Commission apologize for their unsatisfactory conclusions, on the ground that the time and the means at their disposal were insufficient to enable them to elaborate any general or comprehensive plan for revising the system. "The vast extent and importance of the subject, and the practical difficulties that stand in the way of any far-reaching reform," they tell us, "cannot readily be appreciated by those who have not made a special study of the subject." As a consequence, their conclusions on matters of principle are negative, rather than positive. They recommend that the whole subject of the taxation of corporations be intrusted to a special commission for investigation.

It must not be inferred, however, that the report is without value. It contains a good account of the origin and growth of the tax system, an analysis and criticism of present methods, and some sensible remarks as to wide-reaching reforms. The most cheering part of the report is the evidence that recent scientific discussion of the problem is beginning to produce its effect upon the legislators. For the first time in any of the Western states the Commission express doubt as to the wisdom of the general property tax. They criticise it in general and in detail. Yet they shrink from recommending any radical changes, for the reason that "the great majority of the people are still so much attached to the general property system that suggestions or discussions of radical changes would not be acted upon or considered." So, in another part, while the Commission fully concur in the conclusion that an attempt to tax personal property directly is only partially successful, and that so far as it is successful the law operates unequally, they refrain from recommending a repeal of the tax, solely for the avowed reason that a complete substitute has not yet been found. It is significant, however, that, in discussing some of the substitutes proposed, the Commission say: "We think it best to wait until a trial in other commonwealths has shown them to be feasible." The West, in other words, is very properly waiting for the reform to be inaugurated in those

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

states where the dissatisfaction is most acute; and there is but little doubt that, if the problem is once solved in one of the important states, many of the others will soon follow suit.

This conclusion of the Wisconsin Commission is quoted in the report of the Texas Commission,[1] which appeared a few months later. The Texas Commission was by no means so able or so well acquainted with the literature of the subject as that of Wisconsin, and its activity was somewhat limited by the provisions of the act which called it into existence. It was made the duty of the Commission, among other things, "to frame a bill or bills calculated to secure an exhaustive and equitable assessment of every species of property." As a consequence, the report only slightly considers any changes which would impair the principle of the general property tax. Nevertheless, even here there is guardedly expressed a doubt as to the possibility of reaching personalty. "If a time should come when we must admit that we cannot do it, then we should evolve another system and look in another direction for revenue for the carrying on of the machinery of government." The Commission searches in vain for any changes in the present method which hold forth any prospect of success.

In addition to Wisconsin and Texas, Georgia has had a Tax Commission. The report of this Commission was, however, so radical that it failed of consideration by the legislature and was so voluminous that it never saw the light in printed form. It may, therefore, safely be neglected here.

While the commissions that have thus far been mentioned were created in the usual manner by a special law, and were composed of members specially appointed by the executive, in New York a joint committee of both houses of the legislature was constituted to report on the subject, in the hope that the legislature would pay more attention to the recommendations of its own members than it ordinarily pays to the advice of

[1] Report of the Tax Commission Created by Act of March 1, 1899, to Inquire into the System of Laws and Regulations now in Force Affecting the Raising of Public Revenue, *etc.*. Austin, 1899. — 403 pp.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

specially constituted bodies. The report[1] of the committee is all the more noteworthy in that it resulted in a bill which was actively discussed throughout the state.

III.

The system of taxation in New York is the result of a long series of changes which have attempted, with only a moderate degree of success, to adapt old methods to modern industrial conditions. The basis of the system is still the general property tax. About twenty years ago, when its burden began to be felt severely, the legislature cast about for additional sources of revenue. As a result of these efforts, new taxes have been imposed and gradually increased, until at present the state relies not only on the general property tax, but also on the corporation tax, the inheritance (or transfer) tax and the excise tax. The excise tax is divided in certain proportions between the state and local bodies; the inheritance tax is levied exclusively for state purposes; while corporations are assessed for local purposes on their property, but pay to the state a special tax levied either on capital stock or on gross receipts. Finally, the recent special franchise tax law imposes an additional burden for local purposes on a specific class of corporations.

The difficulties and defects of the present system have often been pointed out. They may be summed up thus: unequal taxation of real estate, the escape of personal property and a haphazard method of securing revenue from corporations. Without going into details, the net result of the present methods of taxation is, in general, that those chiefly pay who ought not to pay, while those escape who ought really to bear the burdens. It may be said at once that the remedy for this does not, as is claimed by many so-called "reformers," consist simply in the abolition of the personal property tax. The farmers will never consent to this; and they ought not to

[1] Report to the Legislature of New York by the Joint Committee on Taxation, January 15, 1900.—26 pp.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

consent, unless the tax is replaced by some other impost which will reach the abilities of others to pay their fair share to the public.

The first step in any reform is obviously the separation of state from local revenues. If the entire state revenues could be secured from some other source than the general property tax, three great results would be accomplished. In the first place, the unseemly quarrels between the counties, due to the desire of each to assess its wealth at a lower figure than its neighbor, would cease. In the second place, since the burden of the farmer would be diminished by the suppression of the state tax on property, he would no longer feel that he was paying the city man's share and would listen with greater readiness to a proposition for a more equitable division of the purely local burdens. In the third place, if the state revenues were raised entirely through the so-called "indirect" taxes on personalty, in the shape of a corporation tax, an inheritance tax and a tax on other forms of securities, it would be a far simpler task to bring about an adjustment of local revenues on the basis, not of a general property tax, but of a tax on real estate, together with a few specific imposts on the elements of taxable ability that are neglected by the state and the nation. If we should add to this a reform of the taxes on corporations, whereby they would be reached for state purposes, according to a system which should leave no room for arbitrariness or for injustice as between domestic and foreign corporations, and whereby they would be taxed for local purposes only on their real estate (including in this real estate, for the so-called "municipal monopolies," the value of their franchises), we should then have taken great steps in advance and should have come closer to a realization of the old ideal from which we have departed — the taxation of every one according to his ability.

The New York committee on taxation, which was composed of able and enlightened legislators, grasped this situation and declared their belief in this ultimate ideal. They thoroughly realized that the first step was to separate state from local sources of income. The problem before them was to secure

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

an additional revenue of from ten to thirteen million dollars annually, the sum which had been yielded during the past few years by the general property tax, and which amounted to somewhat over one-half the entire income of the state. A thoroughly scientific scheme would most probably have made it possible to secure this additional revenue through a complete reconstruction of the corporation tax, the inheritance tax and the excise tax; but the difficulty of accomplishing anything ideal under practical political conditions is well illustrated by the state of affairs in New York. To have reserved for state purposes the entire produce of the excise tax — which would mean an increase of $8,000,000 in the state revenues — would have intensified the opposition of one political party to this tax, which is already disliked because the entire yield and administration are not reserved to the localities. Secondly, an increase of the inheritance tax seemed out of the question at this particular juncture, because of the recent and unfortunate entrance of the national government into this field. Thirdly, a reconstruction and increase of the state corporation tax, which would have necessitated a partial diminution of the local corporation tax, would have encountered the difficulty that certain of the minor local divisions, like school districts, secure almost their entire revenue from a few corporations. This proposition would, therefore, have set up in arms a large part of the rural population and would, moreover, have evoked the serious opposition of the large corporations themselves, which find it easier to deal with the local officials than with representatives of the state treasury. Thus the path of progress was beset by obstructions on all sides. The committee, therefore, in order to have only one fight at a time, decided to suggest, in addition to a few minor changes, the imposition of a state tax on mortgages. Their proposition was, in short, to abolish the present law, which provides for the taxation of mortgages as a part of personal property, both for state and for local purposes, and to substitute for it a tax of one-half of one per cent, to be levied only for state purposes. It was estimated by the committee that this would yield about $10,000,000.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

The mortgage-tax proposition gave rise to heated debate throughout the state. The unintelligent advocates of the tax, who believe that a tax will always rest at the point of original impact, supported the proposition on the general theory of hitting the wealthy who now escape. The unintelligent opponents of the tax sought to show that it would be a burden on the poor man, because he puts his accumulations in the savings banks, which are virtually limited in their investments to mortgages on New York realty. The real-estate brokers in the cities, although somewhat divided among themselves, in the main believed that the new tax would interfere with their business and therefore joined in the opposition. The whole question was really a practical application of the theory of the incidence of taxation.

The problem was a difficult one. In its solution the following considerations seem to be of importance. It is undoubtedly true that, if the mortgage tax were an entirely new institution, it would ordinarily be shifted from the mortgagee to the mortgagor — that is, from lender to borrower. This is in accordance with the general proposition that an exclusive or special tax on any one kind of capital will, other things being equal, be shifted from lender to borrower. The limitations on this principle arising from special cases of friction may be neglected in this place. The difficulty of the problem arises from the fact that the proposed tax was only to a limited extent a new tax. Under the law as it now stands, mortgages are taxable as personal property. Moreover, they are taxable at the local rate, ranging from two and one-half to three per cent; while under the proposed law they would be exempt from taxation for local purposes and would be taxed for state purposes at the rate of only one-half of one per cent. It would, therefore, seem on the face of the matter that the bill provided for a reduction of the tax on mortgages and, to this extent, for a reduction of the burden on the landholder. But this theory overlooks the fact that, although mortgages are taxable, they are not in practice generally taxed. The question, therefore, becomes one of fact. If mortgages completely escape taxation

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

at present, the new tax would mean an increase of burden on the landowner. If, on the other hand, mortgages are taxed at all at present, the new tax would mean, to this extent, a remission of the burden on the landowner. The whole controversy practically turned upon the question as to which of the two alleged facts is true.

Unfortunately, there were no scientific methods of ascertaining the truth. Where mortgages are reached, they are taxed as part of a man's personalty. No separate reports are made. We are therefore thrown back upon general considerations. Here it is necessary to distinguish between the rural districts and the large towns. In the country districts it is a matter of familiar knowledge that mortgages are occasionally discovered by the assessor. No village capitalist who is asked to loan money on a mortgage fails to take into consideration the possibility of being hit by the assessor on the mortgage. The risk is not a great one, for otherwise he would not loan money at all on mortgages without being fully secured against the probability of assessment. But the risk is present to some degree, and the lender consequently charges, over and above the ordinary rate, a risk premium. What this is, it is impossible to ascertain statistically, with precision. The best opinion seems to be that it is not much less than one per cent. In other words, lenders exact about one per cent additional, from fear of being discovered and taxed at the local rate of three per cent. The high rate of interest on country mortgages is to be explained in part, no doubt, by this fact. In the large cities, on the other hand, it is true that the bulk of the mortgages in the hands of insurance companies, trust companies, savings banks and like corporations are not assessed. It must be remembered, however, that it is precisely in the large cities that we have the growing number of trust estates, the moneys of which are invested in mortgages and taxed as such to a continually increasing extent. Thus, even in the large cities, some mortgages, though what proportion they bear to the total number cannot be known, are actually reached. It is not unreasonable to assume that, if mortgages were absolutely exempt, the rate of interest would be somewhat

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

lower than it is at present. Some of the financial experts in Wall Street asserted that the diminution would be at least one-half of one per cent.

If, therefore, we take the state as a whole, it must be concluded that the legal liability of mortgages to taxation is accompanied by a partial, even though slight, actual liability. If the mortgages were actually taxed, the rate of interest would be higher by two and a half to three per cent — the full amount of the local tax. If only one mortgage out of five or six is actually taxed, — not a violent assumption to make, — the rate of interest on mortgages is higher by one-half of one per cent than it would otherwise be. Under existing circumstances, it thus appears probable that the risk premium is about one-half of one per cent. As the new bill simply substituted a definite tax of one-half of one per cent for the risk premium of approximately the same amount, it ought not to have increased the rate of interest on mortgages.

Even if this calculation is erroneous, however, and even if the actual risk premium were less than one-half of one per cent, it does not follow that the new mortgage tax would actually raise the rate of interest. Competent financiers have pointed out that New York mortgages would probably become a favorite form of investment. Many individuals would welcome the opportunity of investing funds in a species of property which would be taxed at so low a figure, when compared with the ordinary local rate. This large influx of capital seeking such a favorable form of investment would of itself tend to reduce the rate of interest; so that, even though there might be a tendency for the new tax to be shifted to the borrower, this tendency would probably be counteracted by the increased supply of capital seeking new investment. Thus, in the long run, there seems to be some ground for the contention that the rate of interest on mortgages would probably not increase.

It was, however, exceedingly difficult to overcome the antagonism which is always found in fully developed industrial communities to any special tax on some one kind of securities. The argument that the conditions would not be any worse than they

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

are at present was met by the claim that an entire exemption of mortgages would decrease the rate of interest and thus improve the condition of the necessitous borrower. Moreover, the building and loan associations were considerably exercised, because they thought that the projected tax would seriously diminish their sphere of usefulness. The community as a whole was so evenly divided on the proposition that the outcome of the agitation for a long time appeared doubtful. The majority of the rural districts favored the scheme for many reasons. The savings banks opposed it, although the chief officer of their association declared that their opposition was unreasonable and unscientific. The influential class of real estate men in the cities were generally opposed to the scheme, because they dreaded anything that might be interpreted as a check to dealings in land, whether mortgaged or not. It is significant, however, that some of the largest builders and most important operators in New York City maintained that the fears were ungrounded and declared themselves uncompromising advocates of the scheme. The ordinary man found the problem too subtle for any conclusion whatever.

Under these circumstances, the prospects of success would have been by no means poor, had it not been for two important factors. The first was the approaching presidential campaign. As the outcome of the scheme was not predictable with accuracy, the political managers shrank from legislation the results of which might under some conceivable circumstances arouse widespread antagonism. With them inaction seemed far preferable to any kind of action. A leap in the dark was at all costs to be avoided. More important than this influence, however, was that of the large corporations. In New York the corporations are not at present subject to any taxation on their bonds, although in Pennsylvania and in many other states no such exemption exists. The mortgage-tax bill would have very effectually reached corporations through this class of securities. Corporate influence was, accordingly, arrayed against the measure and was successful in securing an amendment to the bill exempting from the operations of the law those mortgages which

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

bear less than four per cent. As some of the largest corporations had just converted their bonded indebtedness at a lower rate than this, the amendment would virtually have meant the complete immunity of these enterprises. The injustice of letting the large corporations go scot-free, while hitting the small and necessitous borrower, was so obvious that it sufficed to kill the bill. The law, as emasculated, would have been very much like the income tax law of 1894 after the first adverse decision of the supreme court.

IV.

The mortgage-tax bill, as it was called, was assuredly not a perfect measure. Among the chief shortcomings which would have appeared to plague the inventors of the scheme was its entire lack of elasticity. The committee estimated that the yield of the tax would be about $10,000,000; but it is likely that they underestimated the amount of mortgage indebtedness in the state and that the yield would have been considerably greater. The result would probably have been a surplus so large as to encourage an era of extravagant appropriations. On the other hand, as the result of unforeseen conditions or of waves of sudden economic changes, the revenue might from time to time have turned out to be inadequate for the purpose of meeting the state expenditures. Under the present system the general property tax, with all its faults, has this one indubitable advantage — that only so much is raised from year to year as is necessary. The amount needed is first ascertained and the rate of the tax, which varies annually, is then easily calculated. With the mortgage tax the procedure would have been the reverse. The rate would have been fixed, and the amount raised would have borne no definite proportion to the commonwealth needs; so that there would necessarily have been an annual surplus or an annual deficiency. No provisions were made for disposing of either the one or the other.

In the second place, the mortgage-tax bill was confessedly only a half measure. It was advocated by its authors, not as an independent scheme, but as the first step in a larger plan of tax

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

reform, which must rest upon a separation of state and local revenues. The irony of the situation, however, was that a complete reform of the whole system was politically impracticable, and that this first bill was inevitably judged upon its own merits and not as a part of a larger scheme which could not well be propounded. Every one throughout the state applauded the resolution of the committee to seek for a separation of state from local revenue; but no matter what proposition the committee might have made, it is quite certain that some particular class would have felt its interests jeopardized, and would have cried out: "Why not hit the others, instead of us?"

The experience of the New York contest brings out in clear relief the difficulties alike of any partial and of any complete reform of present methods of taxation. In no civilized country, perhaps, is there to-day more discontent with fiscal conditions than in the American industrial centres. Yet the economic interests of various classes in the community seem to be so entirely at variance as to render agreement upon any particular scheme a work of extreme difficulty. There is, however, one encouraging lesson to be drawn from the history of the contest. For the first time in American experience the problem of the separation of state and local revenues — the very corner stone of any edifice of reform — has been brought prominently before the public mind, and it is destined to remain there. In the present temper of the American people, and in the present conditions of American economic and political life, it is idle to suppose that every item of a man's income or property can be reached through any system of direct imposition. All that we can hope to do is to reach the various classes with substantial justice. If we levy a tax on real estate and join to it a well-considered system of taxes on corporations, on inheritances, on securities and on business profits, levied not on the individual but indirectly on the evidence of property owned by the individual, we shall be as close to justice as is practicable at present. In order to prepare the way for this system, toward which the most advanced American states are slowly groping, the ground must first be cleared; and it can be cleared only

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

through a divorce of state from local revenue. This is the chief practical problem to which the New York committee and the New York legislature directed their efforts last winter. This goal once gained, the future steps would be comparatively easy. The New York committee sought to avoid the danger of attempting too much at once, in the fear that its efforts would go the way of all former ambitious and comprehensive schemes. The plan failed because it was at once too radical and yet not radical enough. The bill was defeated because it exceeded the desires of some classes without satisfying the aspirations of others. It is not hazardous to predict, however, that the fundamental idea of the bill will be incorporated sooner or later in another project which, while different in form, will retain the essential principle of segregation of source. The crying need of tax reform is everywhere conceded. We may differ about the ultimate ideal; but unless we all agree upon the first step, no ideal of any kind can be attained.

EDWIN R. A. SELIGMAN.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

BISMARCK AS A MAKER OF EMPIRE.[1]

HANOVER, Nassau and Electoral Hesse, like the free city of Frankfort, had disregarded Bismarck's injunction of neutrality during 1866, and at the close of that war they paid the price of their temerity by losing all political identity. But the foes of the minister's own choosing were, on the other hand, his devoted friends before the ink was dry on the signatures to the peace. Austria lost no territory, and Saxony remained intact; Bavaria was held to no penalty but the assent to an honorable military convention. The new constitution of North Germany was the frank acceptance of the liberal policy which hailed from Baden, though Baden was, for reasons to be shown later, refused the enjoyment of it. Contempt for the old indirect Prussian system of suffrage in three classes could find no more scathing expression than the venomous sarcasm now used by Bismarck. Adopting Vincke's phrase of "numbering souls," he utterly discarded his own former plea of not measuring political power by pounds of human flesh and blood. Then and later he justified the adoption of universal suffrage as a measure to rouse patriotism, the social consequences of which, he admitted, could not be foreseen. The war had been won by simple soldiers, types of his beloved German people — men who, during the campaign, had with soaked garments and empty stomachs munched their mouldy bread, guileless of pillage, faithful and true. To them and theirs he proposed to intrust the fate of the confederation which was to be the forerunner of empire.

The first Diet, though styled Imperial (*Reichstag*), for lack of a better name, was in reality a modern national assembly. Elected by universal suffrage, it was in fact just such a representative parliament as the snuffy professors of 1848 had conceived but had failed to realize. Her new acquisitions, including

[1] See "Bismarck's Apprenticeship," POLITICAL SCIENCE QUARTERLY, XIV, 418.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Schleswig-Holstein, had given to Prussia a well-consolidated territory, one-quarter larger than the old, and had increased her population by four and a half millions. The people who were thus suddenly transformed into Prussians hated Prussia, but their bitterness was somewhat assuaged by the fact that the transfer was a definite step to a German unity in which, like other Germans, they had a full share. Moreover, Bismarck had learned that such unity could be expressed only by universal suffrage; and his own anxieties appear to have been somewhat allayed by the observation that the institution had proved itself, both in France and in the United States, to be the most conservative of all forms whereby public opinion can express itself — so conservative, in fact, as to be often reactionary. With universal suffrage, therefore, and the perfect unity of army administration throughout the federal limits, he was in 1867 content; and he appears also to have been aware that the process of centralization, once begun, is irrepressible.

On the other hand, Prussia spared no pains to soothe the self respect, and no expense to gratify the harmless vanity, of the minor powers associated with her in the first expression of German unity. Her embassies were stately, her despatches punctilious, her diplomatic attitude correct: no exhibition of regard was neglected. The pettiest sovereignty was untrammeled in the exercise of its control over roads, railways and river navigation, in regulating courts, schools and churches. Common interest gently, steadily and firmly enforced the desirability of uniformity in the administration of the customs, already controlled by an annual congress representing the states concerned. The Princes had voted in 1863 a plan for a Federal Council. This the Confederation adopted as the expression of equality and identity for every state at the bar of public opinion; and these, together with their unity, were to be made further manifest by the one-chamber parliament of all. There was no ministry responsible to the twenty-four constituent sovereigns, but merely a president of the council, named by the King of Prussia and styled chancellor. *Primus inter pares*, and therefore impotent without his fellows, it was

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

only with their assent that he was to conduct federal affairs in all foreign relations.

The state diets might at any time have thrown obstacles in the way of this slack and vague, yet efficient, union. The peoples of each sovereign, however, felt and feel the efficacy of universal suffrage in the Imperial Diet; it would be, as so far it has been, impossible for the diet of any state or the diets of any combination of states to meddle with a power more immediately and generally popular than the local parliaments. From the first, Prussia was a tender mother to her nestlings, considerate, wise and just. This was because Bismarck, made chancellor as a matter of course, for well-nigh a generation was able to control the policy he had conceived and inaugurated.

With a confederacy embracing all North Germany, presenting a solid front without and soundly organized within, guided by a military spirit resting secure in military strength, the neighboring powers had now to reckon. Especially was this true of France; for in the new Napoleonic imperialism of that country Germany saw a recurrence to the temper of the First Empire. It is taken for granted by most neutral writers that Bismarck had for twenty years cherished the resolve to annihilate the power of France when opportunity should be ripe, and light words both of his youth and of his extreme old age lend themselves to support the view. For twenty years he certainly had worked toward German unification under Prussian leadership, but the facts of that period do not in any way lend themselves to the interpretation put upon them in this sense.[1] The indications both of active life and of the autobiography are all significant of an attitude of readiness, but not of set purpose. That Bismarck early divined the duplicity of Napoleon III, and of Austria too, seems unquestionable.[2] The latter, he already felt at Frankfort, would shrink from no sacrifice to secure an alliance which would checkmate Prussia. In a conversation at Fontainebleau[3] and another at Biarritz,

[1] See the *Historische Zeitschrift*, March, 1900.

[2] Bismarck, Gedanken und Erinnerungen, p. 240.

[3] June 26, 1862. That at Biarritz was in October, 1865.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

both with the French Emperor, he gathered indications that Austria might hope for Silesia and Prussia for the duchies of the north, the former as a compensation for Venice and the latter in return for ceding to France lands on the Moselle and the Rhine.

Had the contest of 1866 between Prussia and Austria been indecisive, France might have intervened with a virtual command; as it was, Benedetti, Napoleon III's plenipotentiary, appeared at Nikolsburgh too late (July 11–12, 1866) even for the eirenic proposition that Austria should withdraw entirely from Germany and that a German confederation south of the Main should offset that to be formed north of it. This intervention, justifiable from the standpoint of Austria's desire, was nevertheless an impertinence in view of Prussia's power. Yet to all outward appearance Bismarck was pleased, for he urged the proud Lewis II of Bavaria to hasten the consummation of a second confederacy.[1] But Benedetti, *le petit Corse enragé*, as he was afterward called, was utterly blind to Prussia's real strength; Mentz or war was virtually the alternative which he indicated to Bismarck, and Bismarck had no hesitancy in accepting that of war. Not a single concession would the Chancellor make. But for the cholera which was devastating the German camps it is possible, though not probable, that the Franco-Prussian war would have occurred four years earlier, under conditions little favorable to the establishment of popular government in any degree for Germany. However, the United States, now permanently reunited, was making its first move on the chessboard of world-policy, by showing the door of North America to the French army invading Mexico; and Napoleon III could do nothing in Europe but display his weakness by the iteration of his demands, which were backed by no sanction of real power.

When Bismarck received the Napoleonic claims to the French frontier of 1814, — namely, the lands on the left bank of the Rhine belonging to Bavaria and Hesse, — he had only to

[1] To the Reichstag he declared, on April 10, 1867, that, two German parliaments once established, no human power could prevent their eventual coalition.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

exhibit the proposition to these two states, in order to secure their panic-stricken adhesion to the projects for annihilating French pretensions which were then for the first time definite in his mind. The other two South German states, Baden and Würtemberg, were only too eager to form a military alliance with the North. Thus Germany was no longer in three slices: Austria apart, she was already virtually one, and in addition she was supported by the moral sense of continental Europe. As to England, it is well known that Bismarck could not love her.[1] The means of disturbing her serenity without incurring any obligation were easily found, for he temporized while Napoleon III demanded both the evacuation of Luxemburg by Prussia and the right to enter Belgium with his army. Could this have secured the solid welding of German with French interests, an exchange of the Scheldt for the Rhine would have been a bargain not repugnant to Bismarck. This he is asserted by French writers to have confessed in suggestive phrase at the Tuileries in 1867. But Napoleon I lost his crown, as he himself admitted, in fighting for the possession of Antwerp, the wharf of all central Europe; Napoleon III was to lose his for the mere suggestion of such a thing, whether made by Bismarck, as the French claim, or by the second emperor of France himself. England was, of course, outraged at the thought, and her neutrality in any conflict was thus assured. The wily Prussian squire had the documentary evidence of everything except that certain conversation in which his share is uncertain; and to the horror of Europe, England included, on August 10, 1870, he produced to all concerned a photographic reproduction of his originals.

As yet, however, although a substantial unity of North Germany had been secured, both in the admirable working of the customs union and in the unification of military command, the inefficiency of the military contingents from other states and districts than Prussia was deplorable. Schleswig-Holstein had never known military conscription; Hanover was sullen;

[1] That England and English life had much that he thought admirable is clear from the eighth chapter of the Gedanken und Erinnerungen.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

the Bavarians uncertain; Würtembergers were scarcely a respectable militia; and the men of Baden were neither drilled nor equipped to the new standard. While the French had not as yet the *chassepot* or the *mitrailleuse*, they and the Prussians were the only European nations ready for war, in respect of drill and munitions; on the return of the divisions that had occupied Mexico the French army might easily be too strong for the Prussian. On this presumption Napoleon III demanded the evacuation of Luxemburg by its Prussian garrison. All Prussia was aflame, but Bismarck stood firm. Recalling the shambles of Sadowa, he declared he would never fight again except for German union. But at the very moment when France put forth her hand for the great frontier fortress and offered a price to the King of the Netherlands, it was evacuated and neutralized; while at the same time, by a diplomatic combination, the purchase of the Belgian railway system was forbidden to French capitalists. Exasperation at Paris was ready for any insane explosion. But Bismarck had gained time, which was shrewdly husbanded. The great Prussian officers expounded their plans so as to arouse public opinion in Bavaria.[1]

When Bavaria refused to inaugurate the South German Confederation, to both Baden and Würtemberg was refused admission to that of North Germany, lest Lewis II should take alarm, denounce the three years' military convention and join hands with Austria and France. All went well outwardly until, in 1869, the Bavarian prime minister, Hohenlohe, who was an advocate of German unity, was overthrown by the conservative majority in the chambers. This was a sinister augury, for the term of the military convention would end the following year.

It was a distant and a distracted land in which were forged the diplomatic weapons that arrayed Bavaria with Prussia against France. The throne of Spain was vacant and there was a double candidacy. Thus far, as we have seen, the diplomacy of Napoleon III had been perfectly correct; in some respects it had even been friendly to Prussia. In 1865

[1] Bismarck's conversations: with Sepp, May 21, 1868; with Volk, June 12.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

he had been willing to ally himself with her against Austria, in return for compensation on the left bank of the Rhine; he furthered the alliance of Prussia with Italy; in return for neutrality he had at Nikolsburgh, in 1866, demanded the frontier of 1814; on August 5 he asked besides for Luxemburg; on August 20 Benedetti, convinced that "Mentz or war" was impracticable, stipulated for Saarlouis, Landau and Luxemburg, cautiously tapping about the question of a united Germany in return for Belgium; on the 29th this suggestion was put in writing; next year the Emperor sought to purchase Luxemburg from the King of the Netherlands, but failed. Then it was that, finally thwarted in the effort for territorial aggrandizement sufficient to retain the primacy of France, Napoleon III turned from Prussia to negotiate with Austria and Italy; and an agreement was reached, in June, 1870, according to which France was to declare war in April, 1871, occupy South Germany at once, and hold it until the armies of the two other powers should be ready to advance against the North German Confederation. These negotiations and results were probably known to Bismarck; certainly they were suspected by him. They explained Bavaria's apparent recalcitrance and created a crisis in which nothing but quick prevention could save him. His feint and guard were alike ready.

As early as 1868[1] it was suggested that a Hohenzollern, Charles of Roumania, grandson of Stephanie de Beauharnais, would make a proper king of Spain. He was kin to the Bonapartes, a Catholic and yet a Hohenzollern. In 1869 Prussian representatives at Madrid discussed the question.[2] Busch tells also how the venal Spanish press was manipulated from Berlin. But the thought of a Hohenzollern reigning beyond the Pyrenees was intolerable to France, and Charles therefore refused to be a candidate for the throne of Spain in 1869. The name of his younger brother Leopold was substituted, and three times the Spanish ministry offered to present his name to the

[1] Aus dem Leben König Karl's von Rumanien, I, 312.
[2] Unruh, Erinnerungen.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Cortes. King William of Prussia would neither approve nor disapprove, and Leopold each time refused the candidacy. Bismarck, in concert with Moltke, then took up the project, and the former sent a letter to General Prim by his confidential secretary, Lothar Bucher. The offer was made to Leopold by the Spanish cabinet once more, and in June, 1870, the Prince accepted, though with manifest reluctance.

Some of these facts came to the knowledge of Grammont, the shallow and hasty prime minister of Napoleon III, and an effort was promptly made to protest at Berlin through the regular channels. In vain: to the French *chargé d'affaires* the Foreign Office pleaded ignorance; a family matter[1] concerned only the head of the family, King William, then on a holiday at Ems. Acceptance or rejection could not be a political affair or a cause of war. Bismarck was at Varzin; Werther, Prussian ambassador at Paris, was also temporarily absent from his post; it seemed to the headstrong Benedetti, summering in the Black Forest, that he could execute his orders only by following the King of Prussia to his near-by Rhenish resort. Meantime, between Varzin, Berlin and Ems the wires were hot with telegrams. Those received and sent in Ems passed through the hands of Abeken, an adroit and conscientious, but mild and passive, member of the Foreign Office staff.[2]

At the present time the number and contents of the German messages are unknown; but the French procedure, which is well known, makes the course of events sufficiently clear. Grammont committed diplomatic suicide by overhaste and superciliousness, having in Benedetti a congenial agent. Such a pair were sure to confound a family question with politics and, in the delicate equipoise of the latter, create a situation which might be used as events should point out the way. The excitement in Paris was intense and the violence of the press unparalleled. It might even be that France would declare war a year earlier than she intended, and that, too, on a very flimsy

[1] Bismarck, Gedanken und Erinnerungen, p. 432.

[2] K. Abeken: Ein schlichtes Leben in bewegter Zeit. (Berlin, 1899.)

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

pretext, especially if Leopold should now withdraw, as was almost certain. Bismarck considered Napoleon III the personification of incapacity (*une grande incapacité méconnue*) and Grammont a dunderhead (*Dummkopf*). The German Chancellor claimed to believe that the candidacy of a grandson of Murat would in the end be acceptable to the French Emperor.[1] If he really did entertain such a belief, it proves that he had little insight as to the central, cardinal fact of what was on the whole the most delicate, ill-balanced and hazardous of his diplomatic campaigns.

On July 9 Benedetti demanded that King William should forbid the candidacy of his kinsman, and the sovereign flatly refused. On the 11th the ambassador renewed his pressure, and again the head of the Hohenzollerns declared the Prince to be a free agent. On the 13th Benedetti unceremoniously approached the Prussian King in a public place. Leopold, to Bismarck's chagrin, had again withdrawn, and Werther, equally to the Chancellor's disgust, was once more at his post. The fact of Leopold's withdrawal was, therefore, known at Paris directly from Madrid and in all the circles of the initiated. Consequently, the King, assured of Leopold's withdrawal and of the fact that Benedetti knew it too, repulsed the ambassador with some show of resentment, calling to his attention the fact that he himself must be even better informed than any one else. This meeting took place on the public walk, and at once William summoned Bismarck to Ems. Bismarck hastened as far as Berlin and, alighting at his own house, invited Moltke and Roon to dine with him. Learning that Benedetti had demanded still another interview with his master, he telegraphed, refusing to go to Ems and declaring that, if this last demand were granted, he would resign; a few hours later he sent a second despatch, saying that, if the audience had been given, he presumed that he was no longer in office.

The response came in the famous Ems telegram, a document not well adapted to Bismarck's purposes. The aged King was averse to war and Abeken mirrored his feeling in the

[1] Bismarck, Gedanken und Erinnerungen, p. 431.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

mild language employed. Benedetti had been too graciously and courteously treated, and in this fact Bismarck felt that his sovereign had risked the national honor. The French envoy should have been sternly repulsed in his arrogance and should have been referred to the Prussian ministers in his persistent bad breeding. The war, Bismarck knew, was inevitable; it had been postponed, he feared, by a foolish sacrifice of prestige. Here is the despatch which, when deciphered, Bismarck read to his guests:

His Majesty writes to me: "Count Benedetti encountered me on the promenade in order to demand, with a manner which at the close was impertinent (*sehr zudringlich*), that I should authorize him to telegraph at once that I engaged myself for all future time never again to give my consent, if the Hohenzollerns should revive their candidacy. I repelled him finally with some severity (*etwas ernst*), for we neither should nor could accept such engagements *à tout jamais*. I naturally said to him that as yet I had no news, and since he was earlier informed by way of Paris and Madrid than I, he doubtless understood that my government was again out of account." His Majesty has since received a note from the Prince [Antoine Hohenzollern]. Inasmuch as his Majesty said to Count Benedetti that he expected news from the Prince, he has decided, in connection with the above expectation and with the advice of both Count Eulenberg and myself, not to receive Count Benedetti again, but to have an adjutant say that his Majesty now has confirmation of the news which Benedetti had already received from Paris and has nothing further to say to the envoy. His Majesty leaves it to your Excellency's judgment as to whether or not the new demand of Benedetti's and its refusal should be communicated simultaneously both to our ambassadors and to the press.

(Signed) ABEKEN.

From these calm and dispassionate words, words which depressed the two generals profoundly, and which Moltke said sounded like a retreat, the Chancellor, without change or addition, but by a process of elimination, compounded the following call to arms:

After the news of the withdrawal of the hereditary Prince of Hohenzollern had been officially communicated to the imperial

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

French government by the royal Spanish government, the French ambassador again made a demand on his Majesty the King, in Ems, to authorize him to telegraph to Paris that his Majesty the King bound himself for all future time never again to give his consent, should the Hohenzollerns resume their candidacy. His Majesty the King thereupon refused to receive the ambassador again, and informed him through an adjutant that his Majesty had nothing further to communicate to the ambassador.

This Bismarck said he intended should be the red rag to the Gallic bull. And it proved its efficacy. So inflamed was the frantic jingoism of the French press that the imperial government could not withstand the pressure and France declared war. Bismarck's conduct was strictly correct, according to the custom of European diplomacy: he obeyed his implied orders and he told the truth; he did not communicate a confidential note to the public. Yet at the bar of history the great Chancellor will ever stand charged with falsification and something closely akin to forgery. France had an utterly mistaken confidence in her own strength and in a balance of power long since vanished, while Germany was quick to resent what seemed an insult to her most respected sovereign, a gentle old man of seventy-three at that. Both France and Germany were the victims of a misunderstanding, because both desired war — one to keep, one to secure unity; one to preserve and one to win the prestige of leadership in Europe. Both likewise desired what was called a scientific frontier: France, the river Rhine; Germany, the Vosges Mountains. It seems likely, on the whole, that the judgment of history will exonerate France from the direct provocation and forgive Bismarck's conduct for the sake of the cause.

The management of the war was, of course, in the hands of Moltke and Roon, assisted by a picked corps of staff and line officers, produced by a long process of selection as ruthless as that of nature. Yet on one occasion Bismarck's influence was paramount in regard to that severity of operations which made the conflict so short, sharp and decisive. Viewed in detail,

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

the behavior of Bismarck was harsh. He was literally ubiquitous. The Chancellor and his staff lived, worked, initiated, restrained, slept, ate, travelled, copied, deciphered, acted, fled, returned, reconnoitered — in short, deployed their total complicated activities, in flying headquarters composed of a train of carriages, with their semi-military character unconcealed, Bismarck wearing conspicuously the white cuirassier uniform of a regiment in the home guard. So persistent was his dogging on the heels of actual operations that once, on August 18, near Gravelotte, he narrowly escaped capture. His pose — whether conscious or not, is hard to determine, but a pose nevertheless — was that of the pious younker, reading his Moravian devotions and the minatory verses of the Psalms which his wife sent from Varzin. Like his King, he hailed every successive victory as a direct intervention of God. With shrewd insight and a profound humanitarian impulse, he desired and even longed for peace on the evening of Sedan; because by negotiation Napoleon III could then have secured his two armies for the repression of internal violence, could have restored his humbled empire and have taken up the rôle of Austria after 1866 — that of a chastened second-rate power, easy to manage, suited to subserviency in the monarchical state system of Europe. To the dejected, exhausted, broken Emperor of the French, Bismarck was all courtesy; the severe terms of capitulation, as they were actually laid down, were dictated by the generals.

Nevertheless, Bismarck was a second Blücher in the bitterness of his soul toward the French. It is to the credit of the military men that they cared in the main for the organized foe only: they fought fiercely and negotiated chivalrously, though firmly. But in Bismarck the memories of infancy and youth revived in a fierce flame. Against the first Napoleon the populations of Germany had combined to resist military invasion: they had devastated fertile districts lest the enemy might find means of subsistence; they had stopped at nothing likely to stem a fatal tide. But the people of France might not do likewise without incurring the Chancellor's bitter blame; prisoners of war were a troublesome incumbrance regarded with

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

dismay; any humanitarian sentiment was abhorrent, so far as it tended to prolong the war. With an unjustified and unjustifiable cynicism, Bismarck's philosophy could see in the French nothing but a race of vengeful, feline, fire-spitting effeminates.[1] He thought them a nation of zeroes, of Cossacks with a veneer of civilization; charged them with having used explosive bullets at Woerth or balls coated with poison. The charred ruins of French homes, he said, smelt of fried onions; and he taunted bands of prisoners as if they were criminals. For the plain French soldier he had none of the respect he had expressed for his Prussians in 1866. Finally, in a rather venomous defiance of the exalted ladies at the Berlin court, and even of Moltke, who hesitated on grounds of expediency, he forced the bombardment of Paris.

Justice compels the admission that throughout the war the great Chancellor was in a bad humor. The truth is that he shuddered at carnage; he could describe a battlefield with picturesque abhorrence because he recoiled from war; like the child compelled to swallow an unsavory morsel, he wanted to make quick work of it, and he was not over nice in the method. The terms of peace which he would gladly have made, and at the earliest possible moment, were such as would have secured a neutralized buffer state between France and Germany, or, failing that, a few impregnable fortresses, and in addition a war indemnity calculated with nice proportion to that which Napoleon I had exacted from Prussia. Indeed, he was urgent and clamorous for peace on some such terms as these. In order that no possible avenue of approach to peace might escape him, he divided his attention among all the possibilities, negotiating indifferently with the agents of the French Empress, with Regnier or with Boyer;[2] or with those of the people, with Favre or with Thiers.

Eminently practical, he was just as indifferent to the idealist

[1] Bluntschli, Denkwürdiges aus meinem Leben, April 30, 1868. Busch, Bismarck und seine Leute.

[2] Regnier, as tradition runs, claimed to represent the Prince Imperial on the strength of possessing a photograph of the boy, and Boyer was the representative of Bazaine.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

clamor of the German professors for their "brothers" of Alsace as he was to the wordy eloquence of Favre. He wanted millions for defense and indemnity; he coarsely joked at Favre's corpulence, as due to a diet of horse flesh during the siege of Paris; and then railed at his enlightened plea of national rights in the field of morals. But he did quail before Thiers, probably remembering the power of the historian to pillory the unworthy.

In certain ways, suspicion arises that throughout the war and in all the negotiations he was acting the ogre's rôle, in order that he might heighten the effects of the transformation scene at the end of the great drama. If so, he failed in the very climax; for he was forced, by the national hate and pride which he himself had so carefully nurtured, into the irreparable diplomatic blunder of annexing to Germany peoples to whom the thought was revolting — one of them as purely French as the other was but indifferently German. France paid the exacted indemnity as easily as nature spends her favors, yet she does not forget or forgive the loss of her provinces; but for the "one and only" question, that of Alsace-Lorraine, she might be in the closest alliance with the German Empire at this moment — an alliance earnestly desired by German seers, who fear that otherwise there may be, at no distant date, only three world-powers in the womb of time: Russia, Great Britain and the United States. The German Empire with France could easily forefend such a catastrophe, but separate they are alike disturbed by a sense of helplessness.

The long-debated question as to the true founder of the German Empire has passed into the limbo of academic debates. The diary of Frederick III has settled the fact that there was not one founder, but three: the Hohenzollerns, represented by the Crown Prince; the organized force of Prussia, represented by Bismarck, Moltke and Roon; and, finally, Germany itself, not even excepting Bavaria. Again the popular voice demanded a mediæval name for a modern entity. "So be it," said Bismarck, "the name does not make the thing." And, indeed, the sleeping Barbarossa, nodding in his limestone cavern

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

beneath the Kyffhäuser and leaning on the slab through which his beard has grown, was not awakened. Nor was the mediæval unity of Italy with Germany under a German prince reëstablished to the slightest degree. The new empire was merely the North German Confederation, enlarged by the entrance of the South German states into the federal compact. Nor was the process marked by enthusiasm. The preliminary negotiations were tedious; and it was only by tenacity that kings, princes, chancellor and generals, each recalcitrant in a way, secured a final result — a result brought forth with sorrow and anguish. The old Prussian king — by divine right, as he thought — was not easily transformed into a popular sovereign: it grieved him sorely to be a sovereign by the grace of an elective assembly, to wear an imperial crown tendered by a congress drawing mocking grimaces at its own plight, and to receive a fulsome address composed by Lasker, the clever little Hebrew who led it. The Chancellor negotiated the necessary treaties with the sovereigns of Bavaria, Würtemberg and Baden, anxiously safeguarding the pride of each, and standing out for little except the guaranties of an indefinite Prussian leadership in a loose Amphictyonic league. So, at any rate, the superficial conceived; but, indefinite as it was, the leadership was real — military, economic and legislative. Lewis II of Bavaria condescended to copy a prearranged draught written by Bismarck's own pen, requesting the King of Prussia, in the name of his coördinate divine-right brothers, to take the purple merely as the first among equals.

The scene at the proclamation of the empire at Versailles has been depicted by a Prussian court painter, exactly as a French artist limned that of Napoleon Bonaparte's coronation — to wit, with utter disregard of literal accuracy, but yet with the idealization that expresses truth as the critic of the times should have seen it. There should have been wild enthusiasm; the great personages should have faced the future with sanguine cheerfulness; chastened joy should have pervaded the scene. Alas! poor human nature! Every actor in the drama shuddered on the brink of an unknown, untried experience. The

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

shrinking King, the urgent Crown Prince, the sorry sovereigns of South Germany, the exasperated deputies of North Germany, unwilling to jeopardize their power by sharing it — all these alike listened with sullen firmness as the Chancellor read the final fatal paper, every clause of which was his own work. The document set the seal to every compromise Bismarck had suggested, and it left none of those present where they had so far been anchored. The Grand Duke of Baden gave the signal for a cheer, and a cheer was given; but it sounded like a kind of gladiatorial salutation. The audience, moreover, hailed Emperor William; it hailed neither William, Emperor of Germany, nor William, German Emperor; and the person concerned was furious at what he considered a premeditated and gratuitous slight. This was on January 18, 1871, at Versailles; just six months later at Berlin the star actors in the tableau first realized the degree of their success. Their return to home and the fatherland was an ovation more impressive than any Roman triumph, for an entire people hailed with passionate admiration the men who had secured for them the oft-deferred, but racial, secular and even millennial, ideal of German unity. By the peace of Frankfort (May 10, 1871), Germany took Alsace and part of Lorraine, including the powerful fortresses of Strasburg and Metz, and made the line marked by the peaks of the Vosges Mountains her so-called scientific frontier. South German enthusiasm for nationality for a time weakened both particularist local pride and confessional prejudice. The Federal Empire comprised twenty-five states and the common imperial territory of Alsace-Lorraine. Its total population was over forty millions, its constitution was democratic and its director a Protestant king, representing no personal or hereditary leadership, but solely the hegemony of its most powerful member.

The German generals seem scarcely to have realized or understood how utterly the war and its climax in the capitulation of Paris had disintegrated the political structure of France. But so it was; an Oriental envoy to France, looking for a government and its seat, was represented in a clever satire of

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

that time as having been sore bestead. In fact, at one point Bismarck actually asked Thiers whether he believed himself to have sufficient plenipotence to make further negotiation worth while. Above all, there was the anxious question of France as a possible debtor; that matter once decided, territory she must cede. But the vital matter of the war indemnity, — could a land so splintered possibly pay it? Bismarck did not disdain to open negotiations with any embryonic French government; even the bloody Commune might become master of the vaults where lay the treasure, and he found even its anarchic leaders sufficiently patriotic, or at least sufficiently shrewd, to guarantee the country's solvency. Of course any of the half-dozen cliques eager to take the reins when peace should have been made had a vital interest in making peace possible, and peace without pay they knew to be a chimera. So Bismarck had his choice; and he chose Thiers, putting at the historian's disposal the troublesome, expensive prisoners of war in German fortresses. With this army the radical democracy was crushed, the treasure vaults secured and the olive branch elevated. The passion for peace was satisfied, the streams of redeeming gold began to trickle into German coffers; and, proportionately, bits of French land were evacuated, and the new, transitional, uncertain government took its seat at Paris. Most people believed that the Thiers administration would end in a restoration of constitutional monarchy in some form. The refitting and reëstablishment of France up to that point was Bismarck's own work, done in his own way. But he was no seer, after all, and he failed to appreciate the recuperative forces of his adversary. The government of national defense became, not a monarchy in any kind, but a republic — a republic which has persisted and will persist in some form, for the plain reason that the processes of historic evolution have been reëstablished by it. Witness the fact that under it every department of public activity has been regenerated: army, navy, justice, schools — all are organized as never before on a sound modern popular basis. France has turned down and glued fast the page of imperialism; now, looking forward, she is girding

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

herself for a settlement of the still open ecclesiastical question, pivotal henceforward, as always, for complete reform; and she aims, apparently, at nothing less than the abrogation of Napoleon's Concordat and the establishment of a voluntary ecclesiastical system, for the sake, not of religion, but of a secular independence as yet scarcely existent.

There remains in Germany a survival of absolutism which the other peoples of the West find it difficult to comprehend — the defiant claim of legitimacy for its ruling houses. This sentiment is uncompromising and jealous, quick-witted and observant as the fox when startled by the baying of the hounds and the note of the huntsman's horn. Nowhere was legitimacy more alert than in the Prussian court; and its devotees, from the august Empress downwards, had a piercing insight as to the consequences, should France become a stable republic. The very name of monarchy, absolute and constitutional alike, would be discredited so far as it proved to be an institution not indispensable; in Latin lands, at least, its days would surely be numbered. It was, therefore, with anxious preoccupation that its German devotees noted the conduct of the French legitimists and the Comte de Chambord. Among the Prussian legitimists Bismarck was now an object of suspicion, and to circumvent him they had recourse to the device so regularly recurrent in Prussian history — that of a camarilla, or kitchen cabinet. They had at hand an adroit, fearless, ambitious agent, in the person of Count Harry von Arnim, a great noble lately appointed ambassador at Paris, whose single thought was to hoist Bismarck with his own petard, appropriating for himself the rôle which the Chancellor had played from 1851–58. He therefore plunged into the troubled waters of monarchical scheming at Paris, depicted the horrors of a republic that was certain to eventuate in military despotism and sought to impress his views on Manteuffel, commander of the German army of occupation. Bismarck warned von Arnim that a subordinate could not have a policy contradictory to that of his superior. But the ambassador, assured of support from the court circles of Berlin, including both the Emperor and the

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Empress, persisted until the monarchical cause apparently triumphed and Thiers, having paid the vast war indemnity to the last stiver, fell on May 24, 1873.

As the details of Thiers's overthrow were better known, Germany was startled into anxious resentment, and this finally developed into fierce indignation; for the young empire now seemed menaced by a danger antipodal to that spectre which the Prussian legitimists had summoned in the name of their cause. The French reactionaries had secured a majority in the assembly, by means of a weapon which Bismarck himself had forged. At Versailles, in the beginning of November, he had listened to the proposition of two great Roman prelates, Ledochowski of Posen and Bonnechose of Rouen, for a restoration of the Pope's temporal power, suggesting to them that, as one hand washes the other, they should immediately agitate in ecclesiastical circles for peace. They did so, but gained nothing; for Gallicanism proved stronger than Ultramontanism, and their personal efforts did not prove efficient. The Pope had always regarded Bismarck as his foe, and the King of Italy felt assured of permanent German support; but Ketteler, archbishop of Mentz, re-knit negotiations for German favor and asked that the relations between the Catholic Church and the secular authority throughout the German empire should be the same as they already were in Prussia. Bismarck demurred, in view of the annoyances to which the Prussian situation had already given rise; and, as a reason, said that, while Catholic laymen might be and continue good subjects under a Protestant power, the clergy must, by the very nature of their spiritual mandates, meddle unduly with secular affairs. The remark, like the whole negotiation, was semi-jocose; but Ketteler failed. At once the Catholic or Centre party began to lift up its head. It had been formed in 1860; but, displaying little vitality, it had at intervals been entirely dormant; now it was apparently and really eager for a constitutional battle. It quickly revealed, moreover, that it did not merely stand for ecclesiastical defense, but was largely particularist, as well. Windthorst, the leader, was an uncompromising Romanist, but he

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

was almost as markedly a Hanoverian; his associates were nearly all like him, reactionaries in both religion and politics. Simultaneously and similarly in France the league of peace formed by the conservatives had as members all the French bishops; in a short time the monarchical revival was nothing but an annex to the tremendous ecclesiastical revival which organized religious processions and pilgrimages hitherto unparalleled. These were directed by Jesuit influence toward Paray-le-Monial, where in stentorian notes the pilgrims intoned demands on the "Sacred Heart" to save Rome and France. This could mean nothing less than what the French clerical journals avowed — to wit, that Henry V would declare war on sacrilegious Italy, usurper of the papal domains. Availing himself of the anxiety now general throughout Germany, Bismarck announced in Paris that war on Italy would be war on Germany. His busybody subordinate, Count von Arnim, was recalled in disgrace, all Germany applauded and the Emperor had to yield with what grace he could summon. The mere thought of renewed war sent a shudder throughout France; the French monarchists — Legitimists, Orleanists and Imperialists — were confounded. The Comte de Chambord was never to be Henry V, either under the white flag of the Bourbons or the tricolor of modern France. Restoration was indefinitely postponed, and MacMahon became a powerless, elective king with the style of president, while a parliamentary legislature took the reins of power.

Thus were formed the latest governments of Germany and France: the democratic empire with a divine right king at its head, the parliamentary republic with the bureaucratic administrative system of Napoleon. In both, therefore, contradictory hostile elements were artificially combined to create wholesome checks and balances, and in both there is a third power of tremendous vitality — namely, the Roman hierarchy.

WILLIAM M. SLOANE.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

THE NEGLECT OF THE CHURCH BY HISTORIANS.

OUR modern fondness for looking at well-nigh everything historically and the development of several new social sciences — notably economics, sociology and comparative jurisprudence — have combined to foster so multiform an interest in the past, and have led to so vast and so varied an accumulation of historical knowledge, that the venerable term "history" seems no longer adequate to designate multitudinous and heterogeneous events and conditions which often appear to have little more than their bygoneness in common. Like an overgrown empire, history threatens to be disrupted into its component parts. If the late Professor Seeley was right, it has already become "the name of a mere residuum," which has been left as one group of facts after another has been taken possession of by some science. This residuum, Professor Seeley believed, must go the way of the rest, the time being "not very distant when a science will take possession of the facts which are still the undisputed property of the historian."

That history will ever thus softly and suddenly vanish away, we none of us really fear. But it is clear enough that, should such a general dissolution take place, its results would be most unhappy all around. No one fails, of course, to appreciate the advantages of specialization. It would be as preposterous to impeach that as it would be absurdly gratuitous to defend it. The scientific indispensableness of specialization is everywhere recognized, and many would claim a high educational value for it too. Without the continued production of monographs like those of Stubbs, Hefele, Rashdall, Lea, Harnack, Voigt, Brunner, Henry Adams, — dealing with the history of some one phase of human organization or interest, or with some brief period, — progress would cease. It is not specialization itself,

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

but its concomitant disadvantages, which need to be emphasized, in order that a remedy for them may be discovered.

Only comparatively recently have constitutional, economic and legal history, and the development of philosophy, morals, art and literature, become separate fields, subject to intensive cultivation. We have as yet hardly had time to see what effect this subdivision will have upon our educational system or upon the historical treatises which are prepared for the public. But the past furnishes us with a singularly conclusive proof of the disastrous results of putting asunder things which are indissolubly associated by their nature. The earliest form of specialization in history, so far as I am aware, was the distinction made between "sacred" and "profane" history — a distinction that has been perpetuated by our habit of setting off church history by itself, as something concerning only the theologian. This differentiation was not due, it is true, to that scientific ambition for precision and thoroughness which to-day dictates a careful separation of economic or literary history from what we may vaguely call history at large. While our modern specialization is first and foremost a division of labor, a conscious concession to the exigencies of investigation, the older distinction between sacred and profane history was at first a matter of sentiment, later of prejudice and ill-will. That fact certainly renders its consequences doubly noxious; but if our newer scientific specialization does half as much to distort and obscure our general conception of man's past as the older has done, it will do incalculable harm.

We have unwittingly permitted our modern enthusiasm for the principle of the separation of church and state to effect a corresponding divorce in our historical studies. The result has been that we have failed to reckon with a tremendous force, whose nature and workings should logically be our first and chief preoccupation in approaching the history of Europe during the past fifteen centuries. I believe that it would not be difficult to prove that no single factor in European history, whether we regard the growth of the state or the development of culture, can in any way be compared, in its constant, direct and

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

obvious influence, with the Roman church. Yet our prejudices — or our thoughtlessness — practically exclude the church from consideration in our manuals of general history and in our academic instruction. Something is generally said about the mischievous influence of the papacy, its encroachments on the poor, suffering emperors and kings, the terrible wickedness and degradation of the ecclesiastical system, which Luther bravely showed up; there is perhaps a perfunctory tribute to the monkish scribe busily copying Horace's Satires, or a word about the Truce of God; but the church is known mainly to Protestant readers for the Pope's arrogance, the wrangling theologians, the Inquisition, for its "pigges bones," indulgences, dirty friars and sly Jesuits. How, it may be asked parenthetically, would the state — that noblest of man's creations, to many the very central theme of historical research — appear, if we heard only of royal adulterers, of star chambers and ship money, of George III's "golden pills" and Tammany's insolence? The church has been represented as a gigantic conspiracy, consistently hostile to the normal and beneficent social organization. But in reality it was the most characteristic and natural production of European society in the Middle Ages. It was brought forth and maintained by the most distinguished men of the period; it included among its officials pretty much the whole educated class. As we revere our Federal Constitution to-day, so Europe, high and low, clergy and laity alike, revered the constitution of Holy Church for a thousand years. We all know well enough that no band of conspirators could erect a permanent system opposed to the needs and ideas of the period, but habit and the force of ancient prejudice lead us to relegate a study of the hierarchy to the church historian, while the term "history," as usually received, means those matters unconnected with the church, which appears on the scene only as a marplot. It is true that we no longer speak familiarly of Antichrist, the Scarlet Woman or the Mystery of Iniquity, as did our ancestors; but centuries of Protestant polemic have transmitted to us a dull, persistent suspicion of the mediæval church and all its works, which haunts the minds of otherwise impartial scholars.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Another circumstance has, moreover, blinded us still further to the real historic importance of the ecclesiastical organization. We live in an age strikingly secular in its spirit and in a country where the exclusion of the church from all governmental functions and its reduction to a group of voluntary private associations have been carried out with a consistency perhaps unparalleled in the world's history. The mediæval system, which Europe has by no means altogether outgrown, appears to us so monstrous a violation of the principles of civil government that only by a persistent and strenuous cultivation of an artificial historical sympathy can we come to comprehend it, even imperfectly. The position of the church to-day in England and France is full of mystery to us. Court of Arches, church wardens, advowsons, lords spiritual — all are wholly alien to our notions of government and property; and yet they are but the scanty vestiges of a cunningly devised system under which Europe lived for ages — a system which must be understood before there is the least chance of understanding the most serious, perhaps, of all the momentous problems which have faced Europe during the past five centuries.

The mediæval church was no exclusively religious organization: it was a state as well, a state rivalling a continental bureaucracy in the importance and variety of its functions and in the precision and efficiency of its mechanism. As Maitland well says:

> We could frame no acceptable definition of a state which would not comprehend the church. What has it not that a state should have? It has laws, lawgivers, law courts, lawyers. It uses physical force to compel men to obey its laws. It keeps prisons. In the thirteenth century, though with squeamish phrases, it pronounces sentence of death. It is no voluntary society. If people are not born into it, they are baptized into it when they cannot help themselves. If they attempt to leave, they are guilty of *crimen laesae majestatis* and are likely to be burnt. It is supported by involuntary contributions, by tithe and tax.[1]

It is obvious that this ecclesiastical state, the most powerful, extensive and enduring social organization of which we have

[1] Canon Law in the Church of England (1898), pp. 100, 101.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

any record, bears little resemblance to our Protestant communities. The danger of using the same word for what Innocent III and what Mr. Moody understood by "church" is, indeed, appalling to a teacher who sees the disparity. If we had occasion to deal with the Council of Jerusalem, as described in Acts, and the Council of Trent, or with the University of Bologna in the thirteenth century and that of South Dakota to-day, we should immediately recognize the necessity of making plain the ambiguity of the terms, as the very first step in our explanation. Now, while our students and the general public may well have a shrewd suspicion, after studying one of our current manuals, that the church over which Hildebrand presided must have been very different from the Baptist church around the corner, they have no means of appreciating the real nature of the difference or of estimating its tremendous importance.

The same danger of confusion exists in the case of the civil authority; for we are almost sure to assume a fundamental resemblance between the feudal anarchy and our modern state. When Gregory VII hotly asserted that the civil rule was the invention of evil men instigated by the devil, it was, after all, no hasty conclusion, but the outcome of years of observation. We should doubtless all have agreed, could we have witnessed the conduct of the average ruler of those days, that the Pope's theory of the origin of the state was a fair working hypothesis, all things considered. The dictum of Thomas Aquinas, that the secular power is subject to the spiritual as the body to the soul, was no empty claim. It was not only the most generally accepted opinion among intelligent men, but corresponded pretty well with the actual political and social relations of the Middle Ages.

If, then, both church and state in our modern sense were unknown in Europe until comparatively recently, might it not be worth while to explain so fundamental a matter in our manuals and endeavor especially to make clear the general organization of the church, its functions, the sources of its power and the public support which it enjoyed? Indeed, is there the least prospect that the public will understand the history of

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Europe at all until we mend our ways and give the church its due place? It would hardly be exaggerating its importance, if we said that the chief interest of the earlier Middle Ages lies in the development of the Roman Catholic Church; that of the later Middle Ages, in its controlling influence at the height of its power; that of the past five centuries, in the revolution which, after restricting its secular functions, delegated them to our modern state and rendered possible the development of our modern secular culture.

In spite, however, of my conviction that the neglect of the church is the most conspicuous defect of the historical manuals destined for the cultivated public, I should be quite misunderstood if it should be inferred that I advocate a more general attention to church history. Not at all. I am not, as I indicated at the start, making a plea for any special field of research, but for a rational reconstruction of our conception of what should be included in a general review of Europe's past. To deal with the Lutheran Revolt without understanding how the church was a secular, as well as a religious, institution, is like presenting our Civil War as simply the outcome of a different conception in North and South of the nature of the Constitution. To define the French Revolution, as De Tocqueville does, as the destruction of feudalism, is to belittle it. The Civil Constitution of the Clergy betokened as vital a metamorphosis as the Decrees of August 4–5, abolishing the feudal dues. So, no elementary study of either the Protestant Revolt or of the French Revolution can be satisfactory, so long as we continue to neglect one of the greatest factors in both movements.

Our attitude toward church history should be, on the whole, the same as our attitude toward economic or constitutional or literary history. We must divide the vast stock of historical data and conclusions accumulated in all the fields of special research into two separate parts. All that is of a technical nature should be classed "professional," and should usually be so formulated as best to serve the purposes of the expert. The exact contents of St. Francis's first rule, the finances of Glastonbury Abbey at the end of the fifteenth century, or the

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

diplomatic antecedents of the Seven Years' War do not directly concern the public or the students in our schools and colleges. On the other hand, there is much in the thoroughgoing revision which is going on of our notions of man's past which persons with no special knowledge of history will be glad to know and will be the better for knowing.

This distinction between the technical and professional and the popular and general phases of our subject doubtless appears to be very trite and very self-evident. Trite it is not, however; for only modern conditions have rendered it imperative. And so little self-evident is it that some of our most serious perplexities may be ascribed to a failure to recognize it in our instruction and writing. In this country, at least, history is hardly yet regarded as a technical subject, reserved for those who have been prepared by professional training to pursue it. Until recently all our historical works were supposed to meet the needs of both the public at large and the rare student who might appreciate the purely esoteric. Obviously we cannot continue to meet the demands of both classes of readers by the same form of presentation. In the first place, the scholar is becoming more exacting, and he demands a concise, technical statement of the results of research; in the second place, if the public and our college students are to gain the best which history has to give, our whole energy must be directed toward freeing our presentation from every unessential detail which serves only to obscure the great issues and transformations of the past. No detail may be admitted simply because it is true, or "interesting," or important to a specialist. Each particular detail chosen must substantiate, enliven or illustrate the manifold general truths whose number and importance increase daily. Rashdall well says:

> The history of education is indeed a somewhat melancholy record of misdirected energy, stupid routine and narrow one-sidedness. It seems to be only at rare moments in the history of the human mind that an enthusiasm for knowledge and a many-sided interest in the things of the intellect stir the dull waters of educational commonplace.[1]

[1] Universities of the Middle Ages, II, 705.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

This depressing reflection is as true of historical instruction as of any other branch of education. But we are now all busy stirring the dull waters of educational commonplace. The development of special historical studies implies a careful reconstructing of our general view of the whole subject; and, whether we ultimately accept Ranke's view, that the foundation and development of the political order is far the greatest achievement of our race, and that it alone gives continuity to the story of the past, or whether we discover in the progress of culture the true import of history, we shall learn to look back with amazement and pity upon a period when general history was taught as if the Church of Rome were a negligible factor.

JAMES HARVEY ROBINSON.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

COUNCIL GOVERNMENT *VERSUS* MAYOR GOVERNMENT. II.

IV.

WE pass now to a more theoretical discussion of the relations between the legislative and the executive authorities in municipal organization. While the advocates of an increase in the power of the mayor sometimes fail to present careful theoretical arguments in favor of their position, it seems possible to discover at the basis of their reasoning two general lines of thought, which, though often not sharply distinguished, are widely different and are even inconsistent with each other. The first is that based on the idea of the separation of powers. It holds that in municipal government, as in higher grades, we should aim to mark off, as distinctly as possible, the legislative from the executive sphere. The earlier system, which gave to the council the undivided authority, sinned against this principle; and the present movement toward increasing the mayor's power seeks only to secure to the executive its proper coördinate position. The second line of thought is that based on the idea of the centralization of all power and responsibility. This idea may best be realized by making one man, the mayor, the dominant authority, relegating the council to a narrow sphere or abolishing it altogether.

The present section will be devoted to a discussion of the first line of argument. The considerations which are advanced in favor of the separation of powers in municipal government may be grouped under three heads: (1) that thereby needed checks and balances are introduced; (2) that thus a natural and advantageous division of labor is established; (3) that this separation is necessary to prevent politics from interfering as to the *personnel* of the executive department.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

1. It is to be observed, in the first place, that, while the argument as to checks and balances is the one which above all others inclined our great national statesmen and constitution-framers to favor the separation of powers, it is often largely disregarded by those who urge that separation in municipal government. In our federal constitution the aim is not to make the legislature and the executive wholly independent of each other, but to give to each the means of restraining the other — partly, indeed, in order that it may thus protect its own relative independence, but still more in order that it may check hasty, unwise or unjust action. To the executive is given a veto on legislative acts. The legislature, along with important means of controlling the action of the executive, has power, through the Senate's right of confirming appointments, to influence materially its *personnel* as well. Many municipal reformers, on the other hand, favor doing away largely with these checks on governmental action — at least with those which the city council has possessed over the executive. They neglect thus the most important part of the argument for the separation of powers, and rest primarily on the ground that by such separation more efficient action will be secured. Confirmation of appointments by the council is opposed by many who maintain that they have no desire whatever to rob that body of its proper share in the government. It is even urged by some that the power of the council to control the executive by means of detailed legislation and the determination of expenditures should be restricted. In fact, those who take such a stand as this will usually be found to be at heart actuated, not by distrust of unrestricted power in government generally, but by distrust of the city council. Though they may talk of the separation of powers, their underlying principle is really centralization of authority and responsibility in the mayor and the restriction of the council to a sphere so small as to reduce its opportunity for harm to the minimum.

There are others, however, who hold in all strictness that each branch of the municipal, as of the national, government should be able effectually to hold the other in check. They

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

would increase the power of the mayor only sufficiently to enable him properly to restrain the council. They oppose the European system of concentrating authority in the council, as contrary to this principle of checks and balances. It must be admitted that this position rests on a theory which seemed to our great constitutional statesmen fundamental, and which was once almost universally accepted by our citizens as a political axiom. Nevertheless, there are to-day not a few persons who are coming to believe that, even as to national and state government, the advantages of checks and balances have been exaggerated and the disadvantages of parcelling out power overlooked; while still more urge that, though the division of powers may be desirable in higher grades of government, it is superfluous and confusing in the simpler administration of the city.

Historically the first movement toward the separation of powers aimed to check the tyranny of hereditary monarchs who had taken all governmental powers into their own hands. Over against the king was to be set an independent body representing the people. This motive for the division of powers no longer exists in its original form, at least in America. It is certainly not often alluded to in connection with municipal government. In its classic form, however, the theory of checks and balances looks with the same distrust upon an unrestrained legislature as upon an unrestrained executive. No one governmental authority, it is held, however directly it may owe its position to the people, can be trusted faithfully to represent them. Self-interest, ignorance, passion may move an assembly, as well as a single individual, to act contrary to the popular will and welfare. We must make the legislative and executive authorities coördinate, giving to each enough power to restrain the other.

This argument, which was once thought conclusive, is now being questioned in many quarters, even as to its application to national government. It is maintained that undue division of power not merely renders government less harmonious and efficient, — a point which will be discussed later, — but also

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

confuses responsibility and thus weakens that control of the people over their officers which was the very object of the separation of powers. Moreover, it tends to make the voters more careless as to whom they put in office, and it also, by requiring them to fill too many positions by their votes, hinders them in discriminating selection. Were all the responsibility for government recognized as resting on a single authority, the people would be forced to make that central authority good and to devise means to control it. The parliamentary or cabinet system is specially held up, by writers on national constitutional law, as a method of introducing needed simplicity and responsibility into government. By this system there is a close union, not a separation, of legislative and executive authorities. The legislature is supreme: it chooses and controls the executive, while at the same time seeking its advice and leadership. The parliament holds the executive responsible for details; the people hold the parliament responsible for the broad results of the entire administration. Further checks are unnecessary. The people of England, where the parliamentary system is best exemplified, have quite as thorough control over their government as is secured in America by the separation of powers.

Though we may not admit that these arguments are convincing as regards national government, their force when applied to municipal government is much greater. Here there is less need of checks and balances. No sacred rights of life, liberty or property can be seriously affected by municipal authorities. The subjects with which they deal are relatively simple and conspicuous, and are confined within a small territorial space, so that the citizens are far more readily able to watch and criticise than in the case of the nation or the state. On the other hand, confusion of responsibility, which is the great disadvantage of piecemealing authority, is quite as likely to arise in a badly organized city government as in the state. Experience has shown that the people of a municipality are better able to select and to hold responsible one ruling authority than two or several. We need not go further into detail as to this argument here, for it has been of late so constantly

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

and vigorously urged in favor of concentrating authority and responsibility in the hands of the mayor that it is very generally familiar. It is largely because it has so much real weight that the movement toward the centralization has grown so strong. I shall later attempt to show that the more effective method of securing responsibility is probably to centralize power in the council, rather than in the mayor; but the argument in favor of centralization, as opposed to division, is the same in the two cases. Divided responsibility is too often no responsibility at all. Should we decide that the council would be the best repository for the chief authority in the city, it might still be desirable to retain a limited checking power on the part of the mayor. He might well be given a suspensive veto, merely postponing action, subject to a second majority vote. But to permit the veto of the mayor to override two-thirds or three-fourths of the councilmen would be going much too far. Further checks on the council may, doubtless wisely, be supplied by the restrictions of state constitution and law, by state administrative supervision, and by the use of the optional initiative and referendum on important municipal questions. All these would tend to prevent the council from acting contrary to the interests or wishes of the people.

But, it will be rejoined by some, our aim should not be to make the control of the people over government so immediate as it would be if power were wholly centralized in one authority directly subject to the popular will. The people themselves need to be restrained — to be protected against their own gusts of fancy or of passion. Sudden changes in popular opinion or desire, mere temporary fluctuations in majorities, must not be allowed to imprint themselves at once upon government. Political parties must not be permitted to act too unrestrictedly. To this end, changes in the law should require the joint consent of several authorities, chosen in different ways and holding for different terms, so that not all of them will be likely to change in opinion at the same time. This is the argument now most relied upon by the more thoughtful publicists who support the American system of separation of powers.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

We shall not discuss this problem in its broader phases, for it is one of the most controverted of political science. It is sufficient to point out that the argument has less application to municipal government than to the higher grades. The questions which city voters are called on to decide are not, for the most part, such as to awaken strong feeling or to make sudden changes in policy likely or even possible. They are chiefly questions of business expediency, not of right or wrong or of personal liberties. Indeed, most of the functions of municipal administration are so technical in character, that questions of policy concerning them scarcely ever come before the people at all. The duty of the citizens is usually ended when they have chosen as officers of the city the best men possible, leaving them to manage its business. Political parties based on purely municipal questions are scarcely likely to become very permanent or very strong in their cleavage. The sudden changes in popular majorities that have been so frequent in the past, and that have had such an enormous influence on the character of many a city's administration, have been mainly due to the interference of national parties and to the spoils system. Such fluctuations are not nearly so apt to occur when we have learned to banish national parties from the municipal arena. This last argument, then, in favor of the check and balance system, that it is necessary as a restraint on the people, is even weaker as regards municipal government than the argument that each of the branches of government needs to be checked by the other, lest it act contrary to the popular will. Certain checks on the people may, indeed, be desirable, but they can be supplied by better means than extreme separation of powers. Some of these means have already been suggested. Others of no little effectiveness may be secured within the city council itself by proper methods of organization, especially by the system of proportional representation and by giving the members of the council long terms, with the provision that only a half or a third of them shall go out of office at each election.

2. Separation of legislative and executive power is further advocated on the ground that thus is made a natural division

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

of labor which promotes the efficiency of government. Important subjects, affecting the general interests of the people and involving broad principles and policies, require, it is argued, the joint deliberation of a number of minds: in counsel is wisdom. On the other hand, the application of general norms to specific cases, the carrying out in detail of the policy laid down — these require technical knowledge and training, promptness and vigor; they belong to individuals. The one class of functions is legislation; the other, execution. The legislative body should not take upon itself executive functions; the executive should not legislate. Neither is fitted for the other's task. Certain writers on municipal government, starting out with this principle, find that the work of governing a city involves but little true legislation—that it is primarily administrative. Some field is left for the city council, yet it is admitted to be so small as to offer little attraction to able men. This result these writers often deplore, but apparently see no remedy for it. It is strange that they should not pause to consider whether, after all, they have been correct in drawing their line between legislative and executive functions, or whether, supposing it to be drawn rightly, it is really essential to good government to exclude the council from executive work.

As a matter of fact, the boundary between legislation and execution or, more properly, administration is by no means clear even in state and national government, and is still less so in city government. As often defined, legislation is the laying down of general principles and rules of conduct; execution is their application to specific cases. But no sharp line separates the general from the specific. The legislature may content itself with a few broad commands, leaving the executive wide discretion as to the manner of carrying them out; or it may regulate the methods of action in minute detail, while yet not actually itself applying the law to individual cases. No political theorist can accurately determine just what particular things the legislature can do and still keep within the field of legislation. Constitutions have never succeeded in effectually marking off the two spheres, so that neither authority could

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

encroach on the functions intended for the other. The boundary between them is in practice settled in every case by the relative actual strength of the two branches — strength which depends on various elements, such as public opinion, personal force, or the bestowal on one or the other of certain definite prerogatives which can by no interpretation be encroached upon.

Perhaps a more accurate definition than that given above would be this, that legislation is the exercise of discretionary authority in government, while execution is the purely ministerial obedience to and carrying out of the commands given. But, while this definition might enable us to place certain particular functions at the one extreme under legislation, and other particular functions at the other extreme under execution, an exceedingly wide area of debatable ground would still remain between them. Discretion, in fact, enters into almost every action; cases differ only in degree, in the scope for deliberation. Very many acts performed by our so-called executive officers require, in greater or less degree, selection among alternatives, exercise of discretion. As to a great mass of functions, the only principle to guide us in assigning them respectively to legislature or executive is that of expediency. We must consider in each case how difficult and important is the discretion involved, how great the need of technical skill and promptness, how far each branch of the government in fact possesses the qualities and the facilities needed for the particular task. Evidently the assignment must vary according to the character of the tasks which the authorities together are called upon to perform, and therefore must vary according to the grade of government involved.

In the state or the nation there are many broad questions of policy to be decided. If the legislative body considers these properly, it will have no time for deliberation on less important, although still highly discretionary, matters. A considerable amount of discretion, of legislative power, if you choose so to call it, must be left to the executive. In some tasks which are assigned to it deliberation is so evidently required that the

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

department having charge of them is usually placed under a board, instead of an individual. Again, the state, and more especially the nation, has many functions which bring the executive in contact with external political powers. Action in regard to these functions often requires a promptness and secrecy which can be secured only through a single individual or a small group.

For these two reasons, then, a considerable portion of discretionary action is, in the higher grades of government, best intrusted to executive officers.

Quite different, however, is the case of the city. Its field of action is different. Municipal government includes, perhaps, four classes of functions. First, there are broad questions of policy to be decided, but these are comparatively few. Next, the municipality is called upon to establish for its citizens many rules of conduct which, while relatively much less important, yet often apply to large numbers of cases and involve no little discretion. This, the function of ordinance-making (in the usual narrow municipal sense) is a large one, although its consequence has often been concealed by parcelling it out among various executive departments, particularly those of health and police. Far the greater part, however, of a city's activities has to do with specific business affairs. The third function of municipal officers is to deliberate concerning such matters, to determine what particular public works and services shall be undertaken (that is, the less important enterprises; the decision as to great business undertakings may be considered as a policy-making action), to decide the precise manner in which the various enterprises shall be carried on and the amount of money which shall be expended upon them. Finally, the city has to enforce its ordinances in specific cases and to perform the actual technical and mechanical work in connection with its public works and services. Evidently the first of these four classes of functions is legislative; and the last is executive, because it involves little discretion and requires technical skill. The debatable ground is as to the second and third classes. How shall these be grouped?

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

We may notice, in the first place, that few, if any, of the activities coming under these heads require that promptness and secrecy which are so often necessary in national government. A city has few outside relations. Even the citizen in his private business is more dependent on external forces: he may be compelled to make sudden and secret decisions, to seize momentary occasions; though in most cases he too will act most successfully if he take due time and consultation. The city much more rarely has anything to lose by failure to act on the spur of the moment, while the results of unwise decision are likely to be most serious. In the second place, while, were we to accept that distinction of legislation and execution based on the difference between the general and the specific, we should perhaps be fairly justified in placing the ordinance function under legislation and the business function under execution; on the other hand, the more accurate distinction based on the discretion involved will not enable us thus to distribute these functions. The activities of both classes demand discretion, sometimes more, sometimes less; at the same time, they both require technical knowledge and experience. One of these functions is as appropriate for the legislative body as the other, while executive officers are as well fitted to perform the first as the second. The question whether the legislature or the executive of the city may be most wisely intrusted with the control of both functions, supposing that both must be given to one of these branches alone, is one which we shall discuss in the next section. But we may point out here that nothing in the nature of these two fields of action forces us to exclude the city council from either. Not being fully occupied, as is the state legislature, with larger questions of policy, it has the time itself to consider matters of a degree of minuteness and particularity which in the state must be left largely to executive officers. Especially weighty is the consideration, already alluded to, that, if the council be confined to the few broadest discretionary problems, its part in the government will be so small that its own character and influence are bound to decline. From him that hath not shall be taken away even that which he hath.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

An organ becomes strong in proportion to the amount and importance of its functions. Experience and theory alike teach us that we must give our city councils a material share in what we have been pleased to term administrative tasks, if we hope to interest the people in choosing good councilmen and to attract worthy and able men to that office.

Even were it possible to mark off spheres of action, each of sufficient importance, for the council and the executive of the city, it by no means follows that it would be best to make the one as independent of the other as possible. In the decision of most municipal questions sound business judgment and deliberation and technical training and knowledge are alike desirable. Harmonious coöperation between legislature and executive is shown by the success of the cabinet system to be highly advantageous in promoting the efficiency of national government, and it is still more useful in the city. The German city organization shows us what can be accomplished by such a union. Every well-managed corporation shows this close relation between its board of directors and its professional officers. The government of a city is, after all, a single, not a divided thing: its different branches are members of one body. The municipal executive, if it be really composed of experienced and skilled officers, as in Germany, is the most intelligent initiator and guide of legislation. It is familiar with the needs of the city. Its technical skill will aid it in suggesting the best means of securing the ends sought, especially as to details. A competent legislative body, on the other hand, can furnish the sound judgment of men of thought and business; it can often present points of view, even as to minor matters, which have never occurred to the administrator, with his narrower and more technical standpoint. It should be familiar, so far as may be, with the details of administrative methods, else it cannot act wisely on broader questions; and this familiarity will be best promoted by constant contact with the executive officers. Furthermore, coöperation between executive and legislature will tend to increase efficiency, by eliminating those delays and deadlocks which are so apt to

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

occur where the two chief branches of government are largely separated and are furnished with the means of checking one another. How often have we Americans seen this difficulty, in every grade of our government!

It would seem, then, that in the city it is peculiarly difficult to distinguish properly between legislative and executive functions; that there is no reason, in the nature of municipal activities, for the exclusion of the council from the great majority of them; and that efficiency is promoted rather by the harmonious coöperation than by the separation of the two great departments of government.

3. One further argument for a certain degree of separation of powers deserves careful consideration. It is that this separation is necessary in order to secure permanence and competence on the part of executive officers. Professor Goodnow especially has urged that, unless the "function of determining policy, which we may denominate politics," be sharply divided from that of executing the policy determined upon, "it is difficult, if not impossible, to prevent politics from affecting administration, not only in its action, but also in its organization, with the result that qualifications for even clerical and technical positions in the public service soon become political in character."[1] This difficulty has the more serious results in municipal administration because so much of it is of a technical character. While Professor Goodnow presents this point primarily as an argument in favor of removing from executive officers the power to determine policy, it appears likewise to bear on the question of giving to the legislature, if it be the one policy-making body, also a direct share in the administration and control over its *personnel*. Yet we may well ask ourselves whether the danger alluded to may not have been exaggerated. To make the qualifications for subordinate officers political in character, and their tenure, therefore, unstable, does not seem to be the necessary result of mingling politics with administration. It has grown rather from the corruption of politics, from the excess of party spirit and the

[1] Goodnow, Municipal Problems, pp. 221, 222.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

management of parties for selfish and illegitimate ends. It can be largely done away with by general improvement in our political standards and conditions. Already, even as to the national government, where policy is all-important, the people are coming to realize that very few executive officers have anything to do with policy, and the civil-service-reform movement is the outcome. We have reason to hope that the time may soon come when our citizens will promptly repudiate party leaders who prostitute the civil service for personal and corrupt ends. Along with that change in sentiment will probably come the exclusion of national parties from the municipal field. The questions of purely municipal policy which remain will be, as we have already pointed out, less important and burning. Scarcely an executive officer of the city, aside perhaps from the mayor, will need to be changed in order to effect a change in policy; nor will the people tolerate removals on political grounds.

Moreover, Professor Goodnow's argument has much more weight in favor of withdrawing the determination of policy from the executive than in favor of restricting the control of the council over the administration. As he points out, so long as relatively independent executive officers and boards possessed large legislative powers, it was necessary to put new men in executive office in order to accomplish any change in policy. Again, were all power to determine policy in every branch of the administration, as well as responsibility for carrying it out, concentrated in the mayor, he would be so overburdened with labor that he could not carefully watch and direct his subordinates, and he would often be forced, in order to insure the carrying out of a new policy, to change at least the heads of departments. On the other hand, a council charged with the chief responsibility for the administration would be able to divide itself into committees to supervise the various departments; and by its powers of ordinance-making, of issuing directions, of controlling expenditures, sanctioned by its ultimate authority to remove, it could more readily compel the executive officers to carry out its will. It would rarely have

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

need actually to change officials. Indeed, probably one of the most effective means of preventing opinions as to policy from being considered in connection with the qualifications of administrative officers is to withdraw the temptation to apply such tests, by giving to the policy-making authority the most direct and thorough control over the administration. This is, doubtless, in part the explanation of the stability of the English civil service, in all save its very highest positions.

If the reasoning contained in the preceding paragraphs be correct, we seem justified in concluding that as regards city government the separation of powers contributes neither to safety, responsibility nor efficiency; that, if the council is to be a power in government at all, the executive should act in harmony with it and, apparently, under its thoroughgoing control. But we have not yet considered the question whether this, which may be called the cabinet system, is to be preferred to that which concentrates practically all authority in the mayor. We must, accordingly, turn to a discussion of the relative merits of the council and the mayor as the possessor of discretionary power concerning the great mass of city activities — as the seat of the ultimate municipal authority.

V

Many arguments have been brought forward during the past few years in favor of concentrating in the mayor practically all power and responsibility in city government. Both the council system and that of coördinate powers are to yield to the "one-man system." In support of this position it is urged especially: (1) that better men can be elected to an all-powerful mayoralty than to a city council; (2) that a single individual will more promptly, wisely and honestly decide questions and conduct administration; (3) that responsibility to the people is more definite and more readily enforced when power is centered in one person than when it is divided.

Those who bring forward criticisms upon these arguments must not be supposed to maintain that ideally perfect government can be secured by giving the city council the controlling

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

power. No form of government supported by imperfect men can be faultless; and, where the general level of political morality is low, the sins of rulers are sure to be many. We merely seek to show that, in view of the nature of human beings and of human institutions, we may, generally speaking, expect better results where the chief authority in government, whether of the nation or of the city, is trusted to a representative body than where it is trusted to a single individual.

1. The first contention of those who favor concentration of power in the mayor is that the people are better able to elect one good and capable officer than they are to choose a number of such men. The masses of the voters, they point out, cannot be acquainted with the merits of any large number of candidates. They can decide only simple issues, choose between few alternatives. To require them to elect numerous officers at one time is to confuse them and to further purely partisan voting. If only a single all-important officer is to be chosen, none but the most conspicuous citizens, known of all men, will stand any chance of election, and only such candidates will be presented. Because of the immense power of the mayor, the ablest men will be glad to leave business or profession to serve in that capacity. Because the entire character of the administration depends upon him, the people will demand a wise and upright man for the position.

This line of argument is perfectly valid against the vicious practice of calling on the citizens to elect directly a large number of men for different executive positions, especially where technical qualifications are required for such offices. But the voters need not encounter the same difficulty in choosing councilmen. The single-district system, to be sure, by which each voter casts his ballot for only one member of the council, has been, and not without warrant, very generally discredited. But if the individual elector is called upon to vote only for one or two executive officers (if it still seems wise to have these chosen by the people directly) and for a moderate number of councilmen, whether from the city at large or from

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

large districts or from both, he can reasonably be expected to be fairly familiar with the candidates and fairly able to discriminate among them, the more so as the qualities chiefly required for councilmen are that general business ability and integrity which make men well known in private life. If the council be really the chief city authority, able men will be attracted to its membership, particularly if it be the custom to require conspicuous service in the council as a stepping-stone to the mayoralty. Under these conditions, too, the people will recognize the necessity of electing able men just as truly as where power is concentrated in the hands of the mayor. In this regard the experience of European cities is certainly enlightening.

A still stronger criticism, however, may be made upon the position above outlined. To intrust all power to the mayor is to stake the entire welfare of the administration at each election on a single turn of the die. It is, as Bryce calls it, a "cure or kill system"; and we are scarcely ready to believe that our disease has reached so desperate a stage as to demand such treatment. A beneficent and intelligent dictator may give, so far as mere external results go, the best of all possible administrations, but a corrupt or incompetent one will do incalculable injury. The immense power of the mayoralty will cause the boss and the spoilsman to use every effort, every device, to secure control of it. Too often they will succeed in overpowering or deluding the friends of good government. The showy gifts of a demagogue are likely to be more successful in winning voters than the conservative business sense and integrity needed for the chief of a city administration. If the council be made the ruling power, on the other hand, the principle of probabilities will lead us to expect that at least a certain proportion of its members will at all times be honest and capable men; and these, even though in the minority, can check the worst abuses of their fellows. Some sections of the city, some groups of voters, are almost sure to send good men to the council; and this result may be made still more certain by a proper system of representation which shall tend

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

to check the power of parties. It may, perhaps, be that in some of our cities the evils have reached such a pitch that they can be coped with only by temporary resort to dictatorship. When the people become suddenly aroused to the immensity of their need, they are in a fit mood to choose their best fellow-citizen to clean out, with unrestricted power, the Augean stables. At such a time, too, a willing and mighty Hercules is likely to be forthcoming. But when the crisis is ended, when the people have fallen back into their customary frame of mind, it is time for the dictator to lay down his sceptre and for popular government to be restored. If dictatorial power be still conferred upon rulers, when the conditions calling for it and favoring its success no longer exist, tyranny and corruption are sure — occasionally, if not usually — to result.

2. But it will be replied, granting that there are risks in concentrating great authority in a single individual, yet on the average good and honest men will be elected to the mayoralty as often as to the council; and the same amount of ability and honesty in a single person will accomplish better results than in a body. This is especially true because most municipal functions are in their nature administrative, executive. They call for technical training and skill, for promptness, for vigor in the direction of subordinates — qualities which are more apt to be found in an individual than in an assembly. Some go still further and hold that the same abilities which fit a man for administrative work qualify him also for the decision of the more discretionary matters of municipal government; or, at least, that it is safer to intrust them to the mayor than to a council which is limited to the strictly legislative function, since good men cannot be secured for a body having such a relatively small sphere of action.

The discussion in the preceding section as to the separation of powers has cleared the ground for the consideration of this position. We have seen that a sharp distinction of executive from legislative functions is practically impossible, especially in the city. We have seen that, while there certainly is a great

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

amount of municipal work of a purely technical and ministerial character, calling for performance by strictly executive officers, there are also two wide ranges of activities, having to do with the regulation of private conduct and with public works and services, which require discretion and sound judgment, as well as technical ability and training. We have observed that the performance of these functions rarely demands that promptness and secrecy which are to be secured only by individual action — that there is, indeed, no reason why the city council should be excluded from these fields, unless it can be shown that its action is likely to be less wise and upright than that of the executive. Finally, it has been noticed that, even if the ultimate discretionary authority regarding such matters be given to the council, it is by no means forced to act without the guidance of trained and expert administrative officers. The real question for us to decide, therefore, is whether in the city it is wiser and safer to intrust the final decision of ordinary discretionary questions and the ultimate responsibility for the general administration to a representative body, properly aided by the executive, or to intrust them primarily to the mayor alone.

We may observe, in the first place, that, even were it shown that the mayor possessed the necessary qualifications for determining all discretionary matters, yet to throw them all upon him, in addition to the duty of supervising the entire administration on its more technical side, would be to impose a burden almost, if not quite, beyond the capacity of any man. There needs to be a proper division of labor in municipal administration. All are agreed that no considerable discretion may wisely be left to other executive officers than the mayor; and thus the council remains as its natural and proper repository.

But it cannot be admitted that a single individual, even had he the necessary time, is as well fitted as a body to be trusted with deliberative authority and general responsibility for government, whether in the nation, the state or the city. The opinion of philosophers and statesmen from the earliest days, the opinion of democratic peoples everywhere, has been that the judgment of several or many is apt to be both more wise

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

and more upright than that of one. This belief rests alike on psychological analysis and on political experience. No single person is likely to possess sufficient wisdom and information as to any one subject coming under the sphere of government, much less as to all such subjects. He cannot be familiar with all facts, all arguments and points of view. However honest he may be, he will be prejudiced by the natural bent of his mind, by his training and by his environment. The "personal equation" will have too large an influence in his action. In a body, on the other hand, the different members are specially familiar with different subjects; they have different points of view and different mental characteristics — the more so where, as is likely to be the case in a city council, they come from different classes, occupations and sections. In debate among such men their collective knowledge and judgment are brought forth. Prejudice meets opposing prejudice and both are neutralized. The personal equation is largely eliminated. In the crucible of debate it may be hoped that the best elements from each ingredient will be drawn out and fused together — that the dross of each will be rejected or consumed.

A similar line of reasoning goes to show that the action of a body is more likely to be honest and upright than that of an individual. In a private corporation the interests of a single person placed at its head may be so completely identical with those of the other stockholders that he can be trusted to act, at least to the best of his ability, for the welfare of the whole. But in a political corporation the interests of officers are by no means sure to be, at any rate in their own eyes, identical with those of the people. A ruler is assailed by a thousand sinister influences from within and from without. An all-powerful mayor will not only be tempted to use his authority for his own pecuniary or political advantage; but his friends, his party, his "boss," those who have aided him in securing election, will bring pressure to bear on him at a thousand points. Against such influences there is little to oppose save his own character and will. In a body, on the other hand, interest meets opposing interest. The evil motives of some members

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

find themselves counteracted alike by the good motives of their more upright fellows and by the conflicting evil motives of others. A few honest men in a city council can, by appeal to public opinion or in extreme cases to the courts, do much to check corrupt schemes. The various parties and groups will each act as a check on the others' extremes of partisanship. Log-rolling there may be, indeed, between members and groups having differing self-regarding ends, but evil influences will generate more friction in the process than where they all act on a single will.

Another important consideration in favor of intrusting discretionary authority to a body, rather than an individual, is that thereby greater continuity is secured. If the mayoralty be made the chief power in the city, then as often as its incumbent is changed,—and this is likely to occur frequently,—there will probably be changes in policy, both as to ends and as to methods, which will seriously interfere with the efficiency of the public services. Moreover, each new mayor will be lacking in experience, especially where it has been his conspicuousness in private, rather than public, business that has won for him his office, and he will have to spend much of his term in learning the most elementary lessons as to his duties. Every one of our municipalities has had this experience with its mayors. But if the city council be made the ruling authority, and particularly if it be organized by a system of only partial renewal at each election, with a special view to promoting continuity, a certain amount of practical experience will always be found among its members. Hence revolutions in policy will be far less probable; and a consistent and continuous corporate administration, as distinguished from a series of individual administrations, will be possible.

Finally, a body is to be preferred to a single individual because it is apt more truly to represent the people. This point is of less importance as regards minor matters of discretion, for as to these the masses of the people have practically no opinions or wishes. But as to broad questions of policy it should be conclusive, at least to those who believe at all in democratic

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

government. The very conception of representation of the people has always been held to imply a somewhat numerous body. A single individual may, indeed, represent the wishes of a majority as to one or a few matters; but he can scarcely understand the opinions and desires of the entire body of citizens as to any considerable number of subjects; while, even could he understand them, his prejudices and interests would probably prevent him from properly weighing and following them. And we must remember that, in municipal government particularly, there is not likely to be any one issue so predominant that a single mandate to a single individual is a sufficient expression of the will of the people. Public opinion and will are averages or compounds of many opinions and wills, individual and collective. They can be ascertained and expressed only by the coming together of men from different classes, interests, occupations and districts. Especially important has the representative principle always appeared as regards the control of the public purse. No taxation without representation. And it has remained for framers of municipal charters in the latter part of the nineteenth century to discover that this demand may be sufficiently met by intrusting the chief power as to the finances, not to the discretion of a body of considerable numbers, in touch with the different thoughts and wishes of the citizens, but to a small group of executive officers who are themselves to spend most of the money raised and appropriated.

The argument thus presented will appear the stronger to those who believe that true representation demands something more than the placing in office of men who can command the votes of a majority or a mere plurality of the citizens. This is no place to discuss the subject of proportional representation of parties and interests, but attention may be called to the obvious fact that anything of the sort is utterly impossible under the one-man system. There seems to me no doubt that the advantages of the council system in city government would be greatly enhanced by some method of proportional representation.

We may, perhaps, make clearer by a concrete illustration the

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

advantages which have been set forth as belonging to corporate action — advantages which are, of course, greatly increased where the deliberative body has the constant advice and coöperation of trained executive officers. The question of constructing a water system is before a city. Experts must be called on for information as to the anticipated advantages, in public health and convenience, and as to the merits and cost of different systems. But only the city council, a body of representative citizens, can know the wishes of the people, can wisely decide whether the need is great enough to justify the outlay and can determine what system is within the means of the city. The project decided upon, contracts are to be let. The specifications must be drawn by professional executive officers, who must also advise as to the merits of the various bids. But a single individual, however expert, is too apt to be moved by sinister influences in allotting a contract. The integrity of a body cannot be so readily assailed. Its different members, swayed by conflicting motives, will check one another. When the works are completed, the question of charges will arise. Experts can best estimate the cost of service, the relative quantities of water to be consumed by various classes of customers and the probable revenue under different tariffs. But only a representative body of citizens can properly decide, on the basis of public opinion and of sound judgment involving social as well as business considerations, such questions as the proportion, if any, of the expense to be thrown on the general tax levy and the relative shares to be charged upon the various classes of consumers. Similar reasoning applies to such minor discretionary matters as extensions of mains to particular streets, purchases of supplies, regulations as to the use of water, *etc.* These call not only for technical knowledge but for broad common-sense, careful deliberation, and representation of different interests and districts; and therefore they seem to require the action of a deliberative body, guided by professional officers. If the entire body cannot afford the time for such discussion, the various questions of this kind may be divided among its committees. Finally, there is the detailed work, mechanical, technical and

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

financial, in the conduct of the water plant. The keeping of accounts, the preparation of plans, the laying of pipes, the cleaning of reservoirs — these evidently require technical mental or physical ability and training; and they demand the entire time of the persons engaged, whether in supervision and direction or in manual labor. Such tasks obviously belong to executive officers and employees. Some discretion is, of course, involved, but its scope is so narrow that it can be safely intrusted to individuals. Nevertheless, even within this smaller field, individuals need the oversight and control of higher authorities. There will be opportunities for speculation, for shirking and carelessness, for errors in judgment, for modifying the expressed policy in its actual execution, which can be checked only by constant supervision. Lower officers must be controlled by higher executive officers; and these, since there is no one else to control them, must be subject to the council and its committees.

The force of this illustration will appear the stronger, when we observe that precisely analogous to the methods of action suggested would ordinarily be those of a private corporation undertaking a similar enterprise. It has again and again been pointed out, in the discussion of municipal government, and it has never been seriously controverted, that nearly all corporations give ultimate discretionary power, not merely as to broad policies, but as to all save the least important matters of administration, to a representative board of directors, not to single individuals; and that, at the same time, they bring the action of all executive officers under the supervision and control of that body.

3. To the line of argument in the preceding paragraphs it will, however, be objected that, even granting the advantages of corporate action which have been pointed out, they are outweighed by the fact that it is far more difficult to hold a body than to hold an individual responsible to the people. Responsibility, it is urged, cannot be definitely located in a legislative body. Its acts will be the resultants of shifting combinations of individuals, groups and parties, each of which will lay the

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

blame for unwise and corrupt measures or for general misgovernment on the other, so that the people will be unable to distinguish the truth amid the confusion of numbers. On the other hand, we are told, if the entire control of the administration be given to the mayor, responsibility will be fixed with absolute definiteness. The chief executive will have it in his power to check, if he will, any neglect or wrongdoing on the part of his subordinates. If he fails to do so, the people can hold him, and him alone, responsible. Public opinion can be brought to bear sharply and directly upon him. If he disregard it, he may be punished effectively at the next election. The people will have only themselves to blame, if they fail to discover mal-administration and to root out its source.

Plausible as are these considerations, there is reason to believe that the effectiveness of the responsibility which may be secured by the mayor system has been overestimated; and that, on the other hand, if a representative council be given the all-controlling authority, it may be made quite as clearly responsible and as thoroughly amenable to public control as the mayor himself.

As a matter of fact, the control which the people are fitted to exercise over city administration is of a very rough nature, not thorough and minute. The mass of the citizens can judge fairly well the general character of the administration; but they have not the time or the interest to watch details, even such as are important. What is everybody's business is nobody's business. The people cannot consider many facts at the same time. They lack knowledge and facilities for observation which are necessary to form a proper basis for judgment. The relative ineffectiveness of the control which they are thus by nature fitted to exercise over administration is greatly increased by the impossibility of directly expressing their judgment and enforcing their will, except at the occasional intervals of elections. Public opinion, even though clear and strong, is often defied with impunity by municipal officers, who may care little for reëlection, if they can feather their nests well during their years of unrestrained sway. "What are you going to do about

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

it?" they ask with Boss Tweed. Moreover, the voters are forgetful and easily deceived by a few clever strokes at the end of a bad administration. More than once has Tammany Hall, just before election, by fixing a low tax rate (usually deceptive) or by a temporary improvement in some public service, drawn back to its support thousands who had been disaffected by earlier abuses.[1]

These considerations show that the control of the people over the details of government must be exercised indirectly, rather than directly, by giving some one authority general and thorough control over them and holding it responsible for broad results. This authority must be either the council or the mayor. There are several reasons why, merely for the purpose of securing responsibility, the former is to be preferred. In the first place, if we are convinced that the function of determining broad policies should be given to a representative body, — and few of the advocates of mayor rule are quite ready to take away that field from the council, — harmony and efficiency in government may be best secured by giving to such a body also ultimate control over the administration. In no other way can there be certainty that the policy determined upon will be actually carried out. Professor Goodnow has recently pointed out with great force how readily executive officers, if uncontrolled, may wilfully fail to carry out the clearly expressed purpose of the legislature and of the people. He shows, further, that political parties have done much to bring about harmony between the authorities having the determination of policy and those charged with its execution, supplying a control which the legislature itself did not possess. While we may perhaps concede, as to national politics, the further contention of Professor Goodnow, that we must continue to rely largely on parties to perform this service, there certainly seems ground for belief that in our city governments political parties can properly, and that they will in time, be made a factor of much less importance. When that time has come, the

[1] See, for example, instances cited in the writer's Finances of New York City, pp. 124–134, 197, 275–277.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

people may be ripe for giving thorough control over the executive to the municipal legislature.

In the second place, as already suggested, if the council is to be given the sphere of determining general policies of the city, it must also be given other functions — must be allowed an active part in administration, in order that it may have enough to do. In no other way can the position of the council be made of sufficient importance to keep its character high. Again, a representative assembly is, by its very character, better fitted than an individual for this task of criticising and controlling administration. All the characteristics which have been pointed out as qualifying such a body for discretionary action apply here. An assembly is argus-eyed; by subdivision of labor it can accomplish more than any one person. Collusion with those whom it is its duty to supervise is less possible than for a single individual. The superiority of the council over the body of the citizens for the task of controlling the details of administration is specially noteworthy. It has time and motive, and may have opportunities — all of which are lacking to the unofficial citizens — to watch and investigate. Its surveillance is continuous, not spasmodic; and it can, if properly empowered, enforce at all times the responsibility of executive officers to itself. The working of the English national constitution and of the English and German municipal organization shows how effective and beneficial may be the control of the legislative body over the administration.

Finally, it seems probable, contrary to the assertion so often heard nowadays, that a representative body itself can be held even more effectively responsible to the people for the broad results of government than can an individual. This is especially because of the publicity which attaches to its deliberations. An all-ruling mayor does not make known to the world the motives and arguments which influence his actions. Indeed, of most of his decisions themselves there is no public record. He consults and directs his subordinates, often by word of mouth, in private. He has it, moreover, largely in his power to conceal even the results of his acts — the

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

true working of the administration. The deliberations of a city council, on the other hand, are in open meeting and may be followed by all citizens. Official public records are made of its acts. Even were the majority inclined to deceive the people as to their motives and as to the actual condition of municipal affairs, the minority will probable disclose them, both in the sessions of the council and outside. This publicity of a representative body makes it possible for the people to watch the members individually and collectively. The entire city, and especially the respective constituencies, can keep an eye on the record of each councilman. More important is the control which can be exercised over the body collectively and over the parties into which it may be divided. Corporate responsibility may be as truly a unit as individual responsibility. If the city is misgoverned generally or in some particular regard, the people are justified in laying the blame on the council, as a body, or on the majority — usually a fairly definite group — by which it is controlled. They can condemn the entire body, or its majority, at the bar of public opinion — can turn it out of office at the next election, if it fails to mend its ways. Responsibility to the people is just as definite, and just as readily enforced, in European cities where the council is the one central authority, as it is in any American city under the most thoroughgoing one-man rule. National legislative bodies the world over are held, if not perfectly responsible to the citizens, at least as effectively responsible as any autocratic mayor ever has been.

If, on the basis of such arguments as these, the city council should be recognized as the proper policy-determining authority in the city and, still more, as the proper repository of ultimate control over and responsibility for the executive administration, it would apparently follow that the council should be given some control, direct or indirect, over the *personnel* of the executive. This suggestion, to be sure, goes directly contrary to one of the most ardently advocated tenets of many municipal reformers, who have declared that the mayor should

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

have sole and absolute power of appointment and removal, while being himself neither appointed nor removable by the city council. Their position is, indeed, the logical outcome of the theory that the mayor should be made primarily responsible for both the policy and the administration of the city; but it falls at once, when the principle of holding the council responsible for either or both is accepted. The council cannot justly be blamed for the conduct of officers over whose tenure it has no control. Moreover, we may even venture to confront those who favor giving the sole power of appointment and removal to the mayor with the assertion that there is no other power whose unrestrained exercise by a single man is so dangerous. There is nothing which corrupt and self-seeking men desire more than to secure public office. Its possession means salary, with control over men and over money. Pressure of every sort will be brought to bear on the appointing power. Claims of friendship, of political service, of pre-election promises, will be advanced; even pecuniary inducements will be offered. He must be an exceptionally strong and upright man who, having the sole disposition of offices, can resist these influences, especially who can resist the temptation to use his appointing power to further his own political aspirations. In New York we have recently seen a man who had been elected to the mayoralty on a reform platform, with intentions doubtless as upright as can often be hoped for in any officer, practically forced to make many partisan appointments. On the other hand, those characteristics of the action of a body which we have already pointed out as tending to check personal and dishonest motives will make it a safer repository of the ultimate power of determining who shall hold executive office — a fact which is abundantly evidenced by the purity of the civil service in English and German cities.

That the city council should have final control over the *personnel* of the executive does not, however, imply that it should to any great extent exercise directly the power of appointment and removal. It is, indeed, fairly well fitted — vastly more so than the general body of the citizens — to select a moderate

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

number of leading officers, even those requiring somewhat technical qualifications. Nevertheless, it will act more wisely, in making most appointments, if it be guided largely by the advice of the mayor or other executive officers; and it is probable that, if the council have other effective means of controlling the administration, its part here may well be confined to confirming nominations made by the mayor. Whether the council choose directly or merely confirm, its own action will best be limited to a relatively small number of offices, higher officers being allowed, in connection with proper tests of merit, to name their subordinates, and being held responsible by the council for the results of their selections. Indeed, were the council endowed with the absolute authority to remove, for assigned cause, any executive officer, not excepting the mayor, it would possibly be able to exercise sufficient control over the administration by this means alone, and could safely leave to the mayor the sole appointing power. Whatever be the method of appointment, the council ought to possess this general power of removal, and ought likewise to be the court of final appeal in case of removals made by the mayor and other executive officers. By no other means can the control of the council over the administration be thoroughly effective.

While control by the city council over the tenure of executive officers seems thus desirable, the nature of municipal functions is such that frequent change, even of the more important and discretionary officers, is unnecessary and undesirable. Relative permanence of tenure is needed in almost every department, in order to develop technical skill and to induce able men to enter official life as a career. As to many classes of functions, at any rate, there is not sufficient room for differences of policy between the legislature and the executive officer in charge to warrant a change in the office after the election of a new council. We have already suggested that, if the council had general authority over the entire administration, it would probably have less need and less desire to make frequent changes in executive officers than is apt to be the case under the one-man system.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

To summarize, the arguments in this section have sought to show that, in determining the numerous discretionary matters of city government, the city council, a deliberative body, will be more likely than an individual to act wisely, uprightly and in accordance with the wishes of the people, though it should also seek expert advice and guidance from administrative officers. Able and worthy men can be elected to a powerful council as readily as to the mayoralty, and the risk is less than where dictatorial power is conferred on one man. The council, too, is well fitted to supervise the administration generally, while it can itself be held responsible to the people — perhaps even more effectively than the mayor. And, finally, if the council be endowed with such general control and responsibility, it must also possess material power, in one form or another, of influencing the *personnel* of the executive. As was suggested in section IV, some arrangement similar to the cabinet system would probably give the most satisfactory results in city government.

VI.

At the close of this somewhat prolonged discussion, many critics will doubtless be inclined to dismiss it all with the remark that the defenders of the council are, after all, mere political theorists, not practical men of affairs; that those who have actually taken part in the struggle for good city government have been driven by the stern realities of experience to distrust the council and to favor an increase in the power of the mayor. These critics grant that the mayor system does not give ideal results, that incompetent and unworthy men often get into office and abuse their extensive powers; but, for all that, they argue, the mayor has shown himself to be far more worthy of trust than the council, which has never been competent or upright. Moreover, to point to European experience is distinctly the mark of the unpractical theorist. Each country must work out its own problems according to its own conditions and traditions. Finally, it will be said, the more general discussion in the last two sections, particularly that as to the

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

relative merits of a body and of an individual, rests on abstract assumptions as to human nature and as to governmental functions; and all this, essentially *a priori* and deductive, will not stand the test of actual political and municipal experience.

To this criticism it may be replied that true political theory is nothing else than analysis of and generalization from actual experience. It claims no weight unless it takes into consideration the practical conditions under which government works. Nevertheless, political theorists maintain that as to every question a broad point of view should be taken. Wisdom must be sought from every quarter; judgment must be based on wider experience than has come under the observation of many so-called practical men. It is believed that the general principles which have been laid down in the preceding paragraphs, while not absolute, are for the most part such generalizations from the broad political experience of the world, both as to municipal government and as to government in general. It is not, of course, maintained that to give large powers to the council will in itself secure ideal administration, or that concentration of authority in the mayor will always lead to abuse; but simply that in the long run it is safer to intrust controlling authority to a body than to an individual.

American experience in city government itself furnishes abundant illustration, to those who will not refuse to open their eyes, of every evil which has been pointed out as likely to come from undue separation of executive from legislative authority, and especially of every evil resulting from centralizing power in the mayor alone. The experience of various American cities under the one-man system ought to make even the most doughty of its champions somewhat less enthusiastic in their claims. As to the council, it has never had a fair trial in America. Without sufficient authority to attract able men or to interest the people in electing them, without a proper form of organization, it is small wonder that our councils have degenerated and have greatly abused their few remaining powers. European experience, on the other hand, bears evidence to every point of superiority which has been

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

claimed for council action — evidence which might readily have been cited in greater detail. Different as may be the conditions in the cities of Europe, we are not justified in wholly disregarding the lessons they have learned. The general principles of human nature and of politics, the broad problems of municipal government, are essentially the same on both sides of the Atlantic.

But we are not confined to municipal experience alone as a basis for generalization. City government is not fundamentally different in its nature from state or national government. The scope of its activities is, to be sure, somewhat different; and for that reason some of the devices of organization and of method which are desirable in the higher grades of government are superfluous or disadvantageous here. But, after all, there is a broad similarity in the nature of the functions which every government is called on to perform. Everywhere there is to be exercise of compulsory power, expenditure of public money, appointment to public office. Everywhere, too, the same general characteristics of human action, individual and collective, are to be found. In all grades of government, broadly speaking, similar forms of organization are needed to perform similar functions under similar conditions. The principles which have above been laid down as to political action are not *a priori* assumptions. They are the broad generalizations which the race has made as the result of its entire political experience — generalizations which rest on such universal induction that people treat them as if they were axioms. They apply to municipal government because they apply to all government. The experience of the whole world from the earliest times has been that, where a people is in any degree fitted for self-government, a representative body can be more safely trusted to carry out its will, to deliberate wisely and uprightly, than any one individual.

It is the universality of this experience which has brought it about that, wherever the people have risen sufficiently in intelligence and in power, they have replaced the one-man authority by that of deliberative assemblies. If democracies had found it impossible to elect representatives who could be trusted,

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

impossible to locate and enforce responsibility in representative bodies, evolution would long since have discarded such assemblies as unfitted to survive. Not, indeed, that representative government has ever worked perfectly. Its shortcomings are to-day numerous and manifest. Representatives often enough fail to carry out the will of the people; ignorance, thoughtlessness, and corruption too frequently influence their action. The people themselves are not ripe for ideal democracy. They are not yet fitted to exercise thorough control over their representatives; even were they able to do so, they themselves would too often act hastily, unwisely, selfishly. Party and class prejudice are everywhere rife; indeed, modern industrial conditions have stimulated them and have at the same time increased immensely the difficulty and complexity of our political problems. The task of democracy is to-day so much harder than ever before that we need not wonder that it is sometimes but rudely performed. Not a few persons, indeed, feel a profound distrust of the people and advocate, even for the higher grades of government, greater resort to absolute power. The movement toward concentrating authority in the mayor finds its strongest theoretical supporters among those who take this attitude. It is really a movement away from popular government.

But democracy has come, and has come to stay. Imperfectly qualified as the people may be for governing themselves, yet only by so doing can they best protect their own interests against tyrannical abuse — only so can they themselves best develop in political intelligence, independence and morality. It is the chief boast of democracy that it makes men, and not subjects. Democracy can be rendered more successful only by giving it freer scope, not by restricting it. As the people share more largely in government, they will gradually learn to govern more wisely. That form of government is best, whether in the state or in the city, which will force the citizens to give the most thought to public affairs and which will bring as great a number of them as possible into actual participation in public service. The mayor system is a device to save the people much of the trouble of governing themselves; but it is sure to result ultimately in

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

lowering their ability to govern themselves. The way to reform our legislative bodies is not to transfer power from them to single individuals, but to increase their authority. At the same time, devices must be introduced for holding representatives more strictly under popular control; and the people themselves must by degrees be educated to greater fitness for selecting good representatives, for controlling them and for determining broad political questions.

Those who advocate increasing the power of the city council are, then, not mere theorists or idealists; they rest on the wide experience of the race. Still less are they open to the charge, so often made, that they would have us imitate foreign models, copy institutions belonging to "effete monarchies," regardless of American traditions. The representative assembly is *par excellence* American; one-man power is as conspicuously un-American. The Anglo-Saxon peoples have been, on both sides of the Atlantic, the torchbearers of democracy. They established popular rule first in local affairs, by means of direct assemblies of the citizens. Thence they extended it to larger areas, finding the nearest approach to direct action of the people in action by their chosen representatives — a method which finally had to be adopted, even for local government, in more populous places. In America direct popular government in the town meeting and representative government in the state and nation have both existed in more thoroughgoing and more successful form than anywhere else in the world. The countries of continental Europe have been more slowly ripening for democratic government. Beginning with the local governments, where popular control is easiest and meets least hindrance from established aristocratic and monarchic power, they have introduced the representative system, already flourishing on Anglo-Saxon soil, and have made the representative body the central power. The contention of those who would restore the council in our cities to its proper place of authority is, not that we introduce some foreign innovation, but that we revert to our own original principles — principles to which we still adhere in our state and national governments, but from

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

which we have been departing in municipal governments, while our cousins over the sea have been adopting them from our earlier examples.

It is not incumbent upon those who believe thus in increasing the power of the council in America to present any definite and detailed plan of municipal organization. They do not necessarily urge the complete centralization of authority in that body or prescribe its precise relations to the executive and its precise form of organization. There need be advocated no sudden break with the past — no immediate and complete abandonment, for instance, of the principle of the separation of executive from legislative power. As to all such questions of detail, there may be well-founded differences of opinion. These can be settled later, when broader questions have been determined. To discuss them now would only distract attention from the main issue and weaken the fundamental argument. The real question is as to the tendency which shall be followed, the ultimate goal which shall be sought. To which point of the compass shall we set our faces? Shall we go further in the direction of concentrating all authority and responsibility in the mayor alone? shall dictatorship be our ideal of municipal organization? Or shall we seek to increase the power of the representative assembly; not necessarily to make it the one all-controlling power, but at least to give to it the decision of broad discretionary matters and a proper amount of influence over the general administration? This is the question. It amounts, after all, to the question whether we shall turn our steps in the direction of popular control of municipal government or away from it — toward democracy or toward monarchy.

E. Dana Durand.

Stanford University.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

REVIEWS.

Government or Human Evolution. Justice. By EDMOND KELLY, M.A., F.G.S. London and New York, Longmans, Green & Co., 1900. — xv, 360 pp.

It is long since so fresh and suggestive a work as Mr. Kelly's volume has been added to the literature of political science. Accepting the evolutionist's view of the world and of man, Mr. Kelly has not been content to trace government back to a social contract or to certain elements of human nature and to stop investigation there. He goes back to the genesis of human nature itself and to an examination of the problem of the interaction of man's conscious effort with the blind processes of physical nature. He raises the question whether human evolution — a continuation, though it is, of the animal evolution which culminated in the human species — does not now present immensely important contrasts to the processes of natural selection and survival among lower creatures. Upon a scientific and conclusive answer to this question, as Mr. Kelly fully demonstrates, must rest our political philosophy. If human evolution goes on by processes little or in no degree differentiated from the processes of animal evolution, human government should cease, and we should all accept the maxim of *laissez faire* or, indeed, adopt the creed of philosophic anarchism; but if conscious effort, directed by an ever expanding knowledge of nature, has become a differentiating factor in the evolutionary process, then government may be, and probably is, one of the chief agencies making for human betterment.

This question and its answer are, of course, not original with Mr. Kelly. Readers of Dr. Lester F. Ward's writings, the *Dynamic Sociology* and the *Psychic Factors of Civilization*, have found there a clearly reasoned discussion of the whole subject and a broad scientific demonstration of the supremacy of tellic over mechanical forces in the phenomena of human society. Mr. Kelly's book, however, is no mere restatement of Dr. Ward's argument, although it is a new statement of the same philosophy. It is the work of an independent thinker, who has handled the problem in his own way and with admirable logical power.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Fairly to summarize Mr. Kelly's argument in a paragraph is impossible, because it is not only complex but exceedingly detailed, and every detail is a link in a chain. It must suffice, then, to say that our author conceives of nature as an objective world which stands over against the subjective world of conscious human effort. Animal evolution takes place wholly within the realm of nature, but the evolution of man is partly within the realm of nature and partly within that of conscious effort. On pages 286 and 287 Mr. Kelly states seven great contrasts which he finds between the reign of nature and the reign of man. Conspicuous among these is the contrast, which Tennyson seized upon in *In Memoriam*, between nature's care for the type and man's care for the individual. Under the reign of nature individuals are mercilessly sacrificed to the community or to the race; while under the reign of man, few are sacrificed that many may survive, and the community is by art made to serve the individual. This contrast between the insignificance of the individual in the animal world and his importance in human society is not only the conspicuous, but also the essential one. To this all other contrasts are subsidiary. Man's effort from the first has been to combat or to direct nature, so as to save and to develop the individual. Consequently, while nature produces inequalities of every degree and is mercilessly cruel to the unfit, man tries to create equality and to help the unfortunate. This he does by creating the artificial environment known as government, with its machinery of law and executive power. Accordingly, justice may be described as

> the effort to eliminate from our social conditions the effects of the inequalities of nature upon the happiness and advancement of man, and particularly to create an artificial environment which shall serve the individual as well as the race, and tend to perpetuate noble types, rather than those which are base.

Admirable as Mr. Kelly's argument is in the main, he has not fashioned it throughout of happily chosen concepts. From the evolutionist's point of view, it is unfortunate that Mr. Kelly has so sharply marked off the realm of man from the realm of nature. Let it be admitted that man consciously reacts upon unconscious physical nature as extensively and as successfully as Mr. Kelly claims, must we therefore conceive of man and his subjective world of conscious effort as a realm outside of nature? Are we not rather, as evolutionists, bound to say that human reason and conscious human effort are products of natural evolution? Are they not as

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

much within the realm of nature as are the phenomena of nutrition and of reproduction? Nature is not only a system of similarities and combinations, but also a system of contrasts and reactions. The moment we begin to class as things apart, and outside of nature, facts which antagonize or react upon facts that we have hitherto called "natural," we find nature in her entirety slipping away from us. Nature embodied in the cat antagonizes and annihilates nature embodied in the mouse; nature embodied in centripetal force antagonizes nature embodied in centrifugal force; but Mr. Kelly would hardly argue that suns and cats are outside the realm of nature.

If, then, human evolution is a continuation of animal evolution, it would seem that we must abandon the old notion that human effort creates a world apart. That concept is, indeed, far more metaphysical and unreal than the Roman juristic conception of "natural law," against which Mr. Kelly inveighs. Instead of conceiving of the rational, the moral, the artificial and the teleological as antithetical to "nature," we should conceive of them as antithetical only to the physical, the chemical and the organic, and should include them all, moral and physical facts alike, in "nature." When this has been done, "the law of reason," which figured so prominently in Roman and in eighteenth-century jurisprudence as "the law of nature," is seen to constitute one-half of what the evolutionist should now properly call natural law; while the mechanical laws of physical and organic phenomena constitute the other half. Reason reacts, according to her own law, upon organic and physical phenomena; the material environment acts, according to its own law, upon man's conscious effort; and all are parts of one whole, the system of nature.

With these evolutionist conceptions substituted for notions that are essentially theological or metaphysical, and wholly out of place in such a book as Mr. Kelly's, his argument would become irrefragable. It would then stand somewhat as follows: In the lower animal species the reign of nature sacrifices the individual to the species. In higher animal species which have developed a community life, — the social insects and the gregarious herbivora, — the reign of nature sacrifices the individual to the community to a great extent, but it makes the community begin to serve the individual. In an environment of social service thus initiated, conscience and reason presently arise, and the human species is differentiated from lower forms of animal life. In this highest species the reign of

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

nature sacrifices the individual to the community and to the species to only a minimum extent, and, on the other hand, makes the community in a maximum degree serve the individual. This she achieves through the agency of reason, reacting according to a "law of reason" upon the organic struggle for existence, through the mediation of that artificial, but not extra-natural, environment which we are accustomed to call justice.

This theoretical volume on *Justice* is to be followed by a practical one on *Individualism and Collectivism*, in which Mr. Kelly will deal with "the most practical issue of the day."

FRANKLIN H. GIDDINGS.

Revolution und Restauration über die Souveränetät. Eine weitere Quellensammlung über den Begriff der höchsten Gewalt und zugleich ein Beitrag zur Geschichte der Staatstheorien. Von Dr. ADOLPH DOCK. Strassburg, Schlesier und Schweikhardt, 1900. — xv, 271 pp.

Herr Dock has already published (1897) an excellent study entitled *Der Souveränetäts-Begriff von Bodin bis zu Friedrich dem Grossen*, and the present monograph carries the investigation through the period of the Restoration. It is to be followed by other chapters on the theories of Schelling, Hegel, Fries, Schleiermacher and on the historical school of jurisprudence. The political theory of the latter part of the eighteenth and the first of the nineteenth century has already been discussed by such writers as Stahl, Fichte and Bluntschli, and recently by Michel (*L'Idée de l'Etat*), but there is still ample room for scientific investigation in this field. The subject which Herr Dock discusses is nominally the theory of sovereignty; but in fact the general history of political theory is covered, and there is really no exclusive attention given to any one phase of the subject.

In the first part of his work the author deals with the writers of the Revolutionary period, among whom he considers Montesquieu, Rousseau, Voltaire, Sieyès, Fichte and Kant. The writer himself recognizes, however, that Kant, although formally adhering to the revolutionary doctrine, was in practice reactionary. There was no opposition to the Revolution more effective than Kant's apparent adherence thereto. In theory he based the state upon contract, but in practice his point of view was that its foundations were not to be examined, and the existing government was to receive unquestioning obedience.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

The chief part of Herr Dock's work is taken up with the consideration of the theorists of the Restoration (pp. 76–231). Here are analyzed the doctrines of Burke, who is styled the parliamentarian of the reaction; Gentz, its statesman; Adam Müller, its poet; and von Haller, its jurist; with Jarcke, De Maistre, De Bonald and others of minor importance. Burke is ranked as "undoubtedly the greatest political writer of the counter-revolution," as one of the most important writers of all time; and his widespread influence on the Continent is clearly pointed out. Haller, the most picturesque figure in nineteenth-century political theory, receives much attention, and a careful analysis of his elaborate system is presented. Due notice is taken of De Maistre and De Bonald, those clever champions of the anti-revolutionary party in France.

The concluding chapter offers a brief review of the fundamental tendencies prevailing during the period under discussion and a critical estimate of the significance of the reactionary school. Mr. Dock's conclusion is that the greatest service of these thinkers was their attack upon the eighteenth-century theory of the state of nature and the social contract. Though they made a valiant stand against the exaggerated principles of the Revolution, they had really no doctrines of a positive or constructive character that were capable of development — that, as we might say, "had a future in them" (*zukunftsfähig*).

One finds little to criticise and much to commend in the work of Herr Dock. In the treatment of Haller's theory it might have been well to note that in his later writings (Book V of the *Restauration*) he found that the "restoration of political science" might be accomplished in the Catholic Church. More emphasis might have been laid upon the religious phase of the reaction, as represented by such men as Lammenais, Chateaubriand, Abbé Thorel, J. J. Wagner, Schlegel and others. Some space might profitably have been given to the ideas of Hume and Ferguson. But as there are other chapters yet to come, it is only fair to await the full development of the scheme of analysis and classification before passing judgment upon matters such as these. Herr Dock writes in an interesting style, his conclusions are carefully and moderately drawn, and the present monograph constitutes a useful contribution to the history of political theory.

C. E. MERRIAM, JR.

UNIVERSITY OF CHICAGO.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Les Guerres et la paix: étude sur l'arbitrage international. Par CHARLES RICHET. Paris, Schleicher Frères, 1899. — 187 pp.

The Federation of the World. By BENJ. F. TRUEBLOOD. Boston, Houghton, Mifflin & Co., 1899. — 162 pp.

Can We Disarm? By JOSEPH MCCABE. Written in collaboration with GEORGES DARIEN. Chicago and New York, H. S. Stone & Co., 1899. — 151 pp.

Der ewige Friede. Von KARL FREIHERR VON STENGEL. München, Carl Haushalter, 1899. — 32 pp.

Professor Richet, a grandson of M. Charles Renouard, one of the original French Cobdenites, has written a very readable little book, along the familiar Cobden-Bright lines. Appearing in the *Bibliothèque de Vulgarisation Scientifique*, it is evidently intended for that very hazy person, the general reader. The application of scientific standards to the book would, therefore, be unfair. Moreover, much that is violent and exaggerated may be pardoned, or at least understood, in view of the physical, intellectual and moral degeneracy revealed by the Dreyfus affair, and by such books as M. Decle's *Trooper 3809*. Perhaps also the author has followed his own cynical precept: "Le peuple est un enfant naïf qu'on séduit par de belles phrases." It is doubtless for this reason that wholesale hanging and burning at the stake figure among the "beautés de la guerre"; and that, while he maintains, "La guerre relève toujours du même principe, le pillage . . . quand les États-Unis font la guerre à l'Espagne, c'est pour prendre Cuba et Porto Rico," he nevertheless discreetly adds: "si le droit régnait, l'Alsace serait française," and broadly hints at a war for its recovery. He neglects to state what right France has, or ever had, to this province except conquest, or to explain how possession acquired by force becomes sacred as against a later use of force. This is surely a burning question, and not for France alone. For example, the Spaniards cried out against the "brute force" of the Americans, and the Boers exclaim against the force of the British; yet what right had either, after conquering and enslaving the natives, to be safe from conquest and enslavement in their turn? Why may not the sword take away what it gave? How does might become right, and how long does it remain so?

In enumerating the results of war, M. Richet includes all the evils which are sapping the life of France. Obviously, this is to overshoot the mark. If his assertion be true: "L'alcoholisme, la prostitution et l'hypocrisie, violà ce qu'apprend la vie à la caserne," it certainly

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

follows that society has corrupted the army, rather than the army society. His whole argument on this point is merely an elaborate *cum hoc, ergo propter hoc.* The decay of France, and indeed of the whole Latin world, is not to be explained by any such simple and convenient formula as "militarism." It is rooted in the very nature of their civilization, political and religious — in the centralization and regimentation which cause an atrophy of the individual will and conscience. In the stress of competition to-day no nation can maintain itself unless the individual man be developed to the highest possible potency, in respect both of action and of self-control. This is a lesson which history has never ceased to teach since the day of Marathon.

The sovereign remedy recommended for war is arbitration. But his argument loses force from failing to recognize the necessary limitations of the principle and the worthlessness of paper promises when opposed to interest and passion. The cause of peace is not to be advanced by such deliberate self-deception. You cannot arbitrate with a mad dog, or a howling Dervish, or any one else who has not intelligence and good faith; or, finally, with any one whose interests or honor are vitally affected, if he feels himself strong enough to fight. Nor, after arbitrating, is there any guaranty of good faith except fear of the consequences of bad faith. To say that through the Czar's Peace Conference "le militarisme et la guerre ont reçu un coup mortel," or that through a treaty of arbitration "une guerre entre l'Italie et l'Argentine est devenue impossible," is simply to confirm the public suspicion that the peace propaganda is either unfortunate in its friends or is imbued with a tendency to unsettle the judgment. The manner in which Russia is employing, in China, Persia and Afghanistan, England's hour of trial in South Africa no doubt portends the immediate end of war!

M. Richet's definition of war has the merit of simplicity: "C'est la violence." And the examples which he cites are equally luminous. A wolf meets and kills a kid; it is war. Another wolf fights for the prey; again war. Finally, the owner of the kid appears and attacks the wolves; it is still war. Since war is fundamentally wrong, and never justifiable (except possibly in the case of Alsace-Lorraine), the conclusion must be that man should neither assail nor resist any sentient being, but live a vegetarian until some wild beast chooses to dine on him. This is the usual logic of the peace propagandists, if carried to its natural conclusion, but it is not often so candidly avowed.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Mr. Trueblood's book is based on lectures delivered before a theological school. The ethical and religious point of view prevails throughout, and it is not without a certain impressiveness. But facts are not its strong point. The movement for the abolition of war is declared to have begun with Christianity — in apparent ignorance of Plato's teachings. War is asserted to have disappeared in proportion as people have become their own rulers; the contrary would be nearer the truth. A world-race and a world-language are held to be in process of rapid development, and a federation of the world is anticipated in the immediate future. All this is doubtless very inspiring, and perhaps it ought to be true; but it will not do much toward preparing young men to grapple with the realities of life, either material or spiritual. How little the author is in touch with economic and political facts may be judged by this passage:

> However illiberal any people may itself be, no people is willing to be shut out from participating in the advantages which others possess over it. It feels that it has a natural right to have a share in whatever blessings any portion of the earth offers, and all nations will insist on this right till they obtain it.

Insist — how? By war! From such insistence have grown most of the wars of history. Here is occupation for fleets and armies for the next thousand years at least.

Mr. Trueblood has compiled a very valuable bibliography of the peace movement, which occupies pages 154–162.

Mr. McCabe's work is, on the whole, a realistic bit of writing, occasioned by the Czar's Peace Conference, discussing the causes of militarism, the obstacles to disarmament and some possible steps in that direction. It may safely be prescribed as a remedy for any one disposed to take the Czar's proposal too seriously. The author, indeed, professes to regard the whole military system as an utter abomination, and to believe in its final abolition; but his destructive work is so much better than his constructive, his description of the obstacles, economic and social, is so clear and convincing, that it is doubtful if many will be led to share his confidence. His enumeration of the territorial feuds and economic rivalries of nations, together with the economic interests vested in the continuance of the military system, tends in the opposite direction. Especially impressive is the description of the congestion and chaos in the labor market certain to follow a disbanding of armies. Nor is it at all convincing to be told that peace may come through the people of France and Germany

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

rising against their rulers and then decreeing disarmament (p. 98), or that "Germany might, with her empire extended to the Adriatic, return at least Lorraine to France." Utopia is solid ground compared to such speculations.

It is also beside the mark to assert that "in earlier periods of history war secured no important advantage to any one save the ruler and his courtiers. . . . Militarism was only regarded from the economic side as a necessary evil." This exactly reverses the true time relation. War was formerly universally held to be a profitable industry, and was such to those who carried it on with the most courage and skill. Only since about 1830 has this doctrine been seriously disputed; and there are still occasions when war, if not exactly profitable, is, nevertheless, less destructive than an unfavorable peace.

The pamphlet by Professor von Stengel is another of the large number inspired by the Czar's circular calling the Peace Conference. It came into public notice partly through the undisguised violence of the author's opposition to the purpose of the conference, but chiefly through his subsequent appointment by the Kaiser as a delegate to the Conference. Under the circumstances, the pamphlet was not unnaturally viewed as embodying the official German view of the Peace Conference.

The author takes as his text the words of von Moltke: "Perpetual peace is a dream, and not even a beneficial dream." After reviewing briefly the peace movement from the days of St. Pierre, he raises the question whether the abolition of war is either desirable or possible. In this connection he points out that war has Biblical and church authority for it, that it is favorable to art, to many branches of science, that it opens the road for commerce and therefore stimulates manufacturing. He denies that military expenditures are unproductive, unless all governmental expenditures be also called unproductive. He praises the educative effect of military training. Next he points out that "der Krieg ist der Prüfstein für den politischen, physischen und geistigen Werth eines Volkes und Staates."

Passing then to the question of the possibility of perpetual peace, he has little difficulty in demolishing the Czar's proposals, and all others of a similar nature, by inquiring who should enforce a disarmament treaty, or an arbitration pact, except the other nations; and how, except by war? To the economist's indictment of war he replies that political questions are to-day economic questions, that nations must be armed to the teeth, "weil von der politischen Macht-

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

stellung die wirthschaftliche Machtstellung abhängt, ein möglichst grosser Antheil am Welthandel und an der Weltwirthschaft aber eine Lebensfrage für jede Nation ist"; and he quotes with approval Paul Dehn's dictum, "dass man früher um die Länder kämpfte, heute um die Märkte und die Wege die zu diesen Märkten führen."

Finally, he warns his readers that Germany dare not listen to the peace propaganda, least of all in face of the situation and the American ambitions generated by the Spanish-American War.

ST. PAUL, MINN. EDWARD VAN DYKE ROBINSON.

World Politics at the End of the Nineteenth Century, as Influenced by the Oriental Situation. By PAUL S. REINSCH, Ph.D., LL.B. New York, The Macmillan Company, 1900. — xviii, 366 pp.

This opportune little book, with its carefully selected bibliographies, will be highly appreciated by all who are looking for a work that happily blends the scientific and the popular. Aided by the analytical table of contents, the reader may perceive at a glance the sharp outlines of present political phenomena. The first eighty pages form an introduction to a well-reasoned discussion of the Chinese question, as a phase of the spirit and movement that now pervade world politics — that is, national imperialism. After having dwelt upon the consequences of the opening of China, the author treats the politics of Germany in detail and closes with some remarks on the position of the United States as a world power.

National imperialism is the desire on the part of nations "to control as large a portion of the earth's surface as their energies and opportunities will permit" and "to increase the resources of the national state through the absorption and exploitation of undeveloped regions and inferior races." Now, in considering the transition from nationalism to national imperialism during the last three decades, Professor Reinsch observes that the dominant motives in effecting the change are sentimental and moral. When the nation has attained solidarity, territorial expansion enhances its prestige and appeals to an aggressive patriotism. On the other hand, an outlet must be found for the surplus activity of the ever-increasing population of the world. Inferior races should not be permitted to neglect or to waste their natural resources; hence the civilized nations must assume the control of these resources and police the world, as it were, in the interests of humanity at large. Industrial management and exploitation, however, need not imply political possession. A

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

"sphere of influence" or of "interest" has meant thus far merely a region where an imperialistic power "holds itself specially responsible for security of life and investment, and uses its political influence for the furthering of economic development." Nor does the theory of "spheres of influence" antagonize the policy of the "open door," so long as equality of opportunity is afforded within such areas.

Territorial aggrandizement of this character is purely a product of the nineteenth century, and is to be distinguished alike from the dynastic schemes of European monarchs and from the somewhat adventitious colonialism of England, prior at least to this century. Expansion, however, must be gradual, and must correspond to national needs. The moment it becomes abnormal and savors merely of land-greed, then will an exaggerated nationalism become bellicose, and, even before all available territory has been appropriated, a struggle for supremacy among the powers will ensue. Of this struggle the outcome will be the establishment of universal empire, the imposition of the *pax Romana* and the relapse of the world into apathy.

Coincident with this expanding of nationality comes a repression of individualism. The Greek concept of the state, nurtured by a revival of Machiavelli's doctrines in political practice, tends to gain prominence, and the individual appears to be resuming his former function as a mere instrument of state action. The vastly increased authority of the executive, who is more and more regarded as the personification of national pride and power, and the inclination to denounce as treasonable any criticism directed against imperialistic ardor and national susceptibilities are adduced as evidences of this decline in liberalism. The legislative body becomes of less importance in public estimation, in proportion as external affairs take precedence over internal considerations. The wane of individualism and the growing centralization of government seem to presage also the degeneration of political parties into factions that may easily be manipulated by an administration clever enough to gratify the popular impulse. And it must be admitted that many forces in Oriental civilization, if allowed to exercise a reflex influence on Western ideals, would give a tremendous impetus to these tendencies.

In carrying out their program, the chief methods of the imperialistic nations are the planting of agricultural colonies, the stimulation of commerce and the acquisition of railway, mining or other industrial concessions. Moreover, the material as well as the spiritual value of missionaries has been so fully appreciated that several choice grants have been wrested from the Chinese government by

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

way of indemnity for outrages committed upon the Christian pioneers. Of these imperialistic nations Russia seems destined to wield a paramount influence in China. Not only in geographical situation, in the semi-Oriental character of the empire and in its aptitude for assimilation, is Russia fitted to play the intermediary between Asia and Europe, but its diplomats are well versed in the state-craft dear to the Oriental mind. At this point, however, care must be taken to dismiss the popular notion that China is verging on utter collapse. Here the author is clearly at variance with Lord Charles Beresford, but he does not swing to the other extreme and prophesy a "yellow deluge" to overwhelm Christendom. Rather are the existing elements of weakness within the Chinese Empire due only to "a disorganized political system, and to false political ideals." When for these the adaptable features of Western civilization have been substituted, the innate stability of China will become manifest, and the immensity of its natural wealth will render it the industrial centre of the world.

Another popular misapprehension Professor Reinsch seasonably corrects by showing that, far from supinely handing over railway and mining concessions at the "stand and deliver" of European highwaymen, the Chinese government always reserves from twenty-five to forty per cent of the profits and the ultimate ownership of the enterprises as well. These conditions, coupled with all sorts of restrictions and the frequent inability of the central administration to control the local functionaries, make European capital cautious in risking investment. In fact, lack of security is still the chief impediment to industrial enterprise in the "Celestial Kingdom."

Discussing the probable bearing of Chinese affairs upon international relations, the author asserts that, not only have matters of purely European concern retired into the background, but, in view of the strong individualistic spirit evinced by the nations of to-day, permanent and effective alliances are a thing of the past. Still, while there may be no combinations of the old type, international forces will group themselves about some common policy in imperialism — as, for example, that of the "open door."

Of all nations now engaged in territorial expansion, Germany affords the best concrete example of the transition from an intense nationalism, that of Bismarck, to an eager national imperialism, that of the reigning Emperor, William II. German imperialism means peculiarly the construction of a "commercial and industrial empire resting on a strong nationalistic basis." Having achieved

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

its unification, Germany is prepared to set on foot a Teutonic propaganda, commercial, industrial and religious, in China, Asia Minor, Africa and South America. Instead of acquiescing calmly in the further expatriation of its subjects, the German government now strives to preserve *das Deutschtum*, wherever found. Efforts are being made to turn the stream of emigration toward the German dependencies, where political allegiance is to be guaranteed by affording the German colonists the protection of a powerful navy. As to whether Germany will respect the Monroe Doctrine, in case *das Deutschtum* in South America has to be succored, that would depend upon whether the United States itself has totally destroyed the balance of mutual forbearance, European and American, by becoming a factor in the Oriental question.

The war with Spain forced the United States out of its seclusion, and made it a world power in the imperialistic sense. The acquisition of distant territories, like the Philippines, for which there is no prospect of statehood, compels the adoption of what is practically a colonial system. Such a radical change in foreign policy calls for the exercise of care in maintaining American institutions. Alike in Great Britain and in the United States, party government shows symptoms of losing its efficiency. The spirit of intolerance is readily displayed, whenever individual opinion ventures to criticise the policy of territorial expansion. Hence the encouragement of industry at home, the peaceful extension of the markets for its products abroad, and, so far as the dependencies are concerned, the assurance of the "open door" in the Philippines ought rather to be the cardinal principles of American imperialism.

Although depth and keenness of thought are everywhere visible in the work, the frequency of repetitions, the poor quality of the index and the lack of an appropriate bibliography for the section on American politics create the impression that the book was prematurely published. Consistency is lacking in the use of a singular or plural verb after the word "politics"; and the spelling of Chinese names is not altogether uniform. The name of the Chinese heir apparent is Pu Chun, not Tuan, which is the name of his father. And, in narrating recent political events in China no reference is made to the edict of the Empress Dowager, February 7, 1900, abolishing the study of the "depraved and erroneous subjects of the Western schools."

WILLIAM R. SHEPHERD.

COLUMBIA UNIVERSITY.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

France since 1814. By BARON PIERRE DE COUBERTIN. New York, The Macmillan Company, 1900. — x, 281 pp.

Monsieur de Coubertin, who a few years ago gave us an exceedingly readable and well-informed book on the political history of France under the third Republic, now comes forward with a much more ambitious undertaking. *France since 1814* purports to be an explanation of the striking vicissitudes of French history since the fall of Napoleon — an explanation assuredly needed by the American reader, who is well-nigh bewildered when beholding a country which in less than seventy-five years lived under five different governments and discarded four of them less than twenty years after setting them up or allowing them to be established; but we are afraid that this time M. de Coubertin's shaft fell considerably short of his aim.

The book consists of only eight short chapters. It can easily be read in a little more than two hours and contains very few references. Yet the author attempts to controvert and totally to upset the views usually held of some of the most important events in the period of which he treats. His estimate of men, too, is one which in many cases would require a good deal of support from facts, and such support must be acknowledged to be entirely absent from the pages before us.

The main contention of M. de Coubertin in the earlier part of his work is, that the government of the Restoration was from start to finish in possession of popularity. Napoleon's triumphant return from Elba in March, 1814, he ascribes solely to the defection of the army, in no way to the many mistakes which had led the people to believe that the Restoration was a *revanche* against the Revolution. To such a conclusion he is, moreover, driven by the assertion that the Revolution itself, and not simply its excesses, had come to be thoroughly hated by the people; and thus he totally ignores Carnot's famous memoir to King Louis XVIII. The great man of the period to him is the Duc d'Angoulème, the man about whose wife Napoleon said that she was the only man in the family, and whom all other historians describe as a peevish, querulous, narrow-minded nonentity.

His boldest assumptions, perhaps, we meet when coming to the Revolution of 1830. To him Charles X's famous *Ordonnances* are no longer an attempted coup d'état: they are at most a somewhat imprudent interpretation of some obscure dispositions in the Constitutional Charter. The battle in the streets shrinks to the proportions of almost insignificant rioting, and its transformation into a

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Revolution is due entirely to the mischievous ambition of one man, Adolphe Thiers!

Now all this may be true; but when such an entirely novel view is brought forward of events which have been related by scores of historians, the propounder of it is bound to provide us with the grounds for his unexpected interpretation of history.

The remainder of the work is, it must be owned, more satisfactory. The happiest pages, perhaps, are those which deal with Louis Philippe and explain how he managed to become, little by little, not what Thiers wanted him to be, *un roi qui règne et ne gouverne pas*, but a sovereign in possession of strong personal power. After 1846, and for the two years which preceded the Revolution of 1848, M. de Coubertin considers him "almost a king."

The fifth chapter, "Four Months a Republic," is a very bright picture of the unsettled condition of France during the period which separated the fall of Louis Philippe from the socialistic insurrection of June, 1848. But a view which cannot easily be accepted is, that the Republic ceased to exist when General Cavaignac was called to power. That the presidency of Louis Napoleon should be considered merely a preface to the second Empire is no violent demand upon the mind of the student of history. Not so, however, for the period that goes from June 24 to December 10, 1848. If on the last-named date Cavaignac, and not Louis Napoleon, had been elected president, the Republic would in all likelihood have lived a good deal longer — nay, might have become permanently established in France. To such boldness of assertion is our author forced by his attempt to compress into a few pages events which are among the most complicated in the history of the nineteenth century.

More tenable is M. de Coubertin's view in regard to the Italian war of 1859, which he regards as beginning the decay of Napoleon III's power. We think that a good deal might be said against such a view, but it has been held by a great many clear-sighted observers — by Adolphe Thiers, for instance, and by the last and remarkably well informed historian of the second Empire, M. Pierre de la Gorce.

In fact, the nearer the author comes to our own days the less bewildering his statements become. May it not be that he is one of those men who can interpret better what they see than what they read? If so, we should have to admit that he would be better fitted for the career of a public man than for that of a historian — a conclusion which, perhaps, would not be unwelcome to him.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

The book is brilliantly written and abominably translated. The only praise to be given to the translator is that he (or she) has been modest enough to withhold his (or her) name from the public. But when will authors and publishers understand that a good translator must possess four qualifications — first, a knowledge of the language to be translated from; second, a knowledge of the language to be translated into; third, literary ability; fourth, knowledge of the subject dealt with in the book to be translated? M. de Coubertin's translator possesses all the above qualifications save four.

ADOLPHE COHN.

COLUMBIA UNIVERSITY.

Letters of David Ricardo to Hutches Trower and Others, 1811–1823. Edited by JAMES BONAR and J. H. HOLLANDER. Oxford, The Clarendon Press, 1899. — xxiii, 235 pp.

In 1887 Dr. Bonar edited the letters of Ricardo to Malthus, published by the Clarendon Press. In 1896 Professor Hollander edited the letters of Ricardo to McCulloch, published by the American Economic Association. These two scholars now unite in editing the series of letters here under review. As might have been expected from their previous undertakings, their work has been admirably done. The reader will find all imaginable aids and explanations — an excellent introduction, a table of contents in which each letter is summarized, a full index, and footnotes on the literary, political and economic events of the time. There are abundant references to the previously published writings of Ricardo and to those of his contemporaries, and summaries and explanations of obscure passages. The reviewer has only to express the thanks of students of economics for the skill and labor with which the contents of the letters have thus been made easily available for consultation and comparison.

Hutches Trower was, like Ricardo, a stockbroker, and the close friendship between the two began on the Exchange. Both were interested in economics and politics; both were liberal, almost radical, in their views; both retired as country gentlemen, after having made their fortunes in the city; both had literary ambition. These letters cover all sorts of topics, from the theory of value and of overproduction to journeys on the Continent and the upset of a phaeton. Some things new appear in them, as in those previously published, about Ricardo's habits of thought and his own interpretation of his doctrines, but more as to the personality of the man:

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

I cannot often refuse the solicitations of my two little girls to accompany them in their morning rides, and we are often met with in full canter on our respective ponies.

I am not so guilty as you, in the affair of the partridges and pheasants. . . . I employ a skillful man who brings them down with the least sum of pain.

Ricardo sympathized with the prosecuted radicals, and opposed the Six Acts for suppressing agitation; condemned the harsh and impolitic proceedings against Queen Caroline; hoped that France would fail in her measures of interference in Spain; was, of course, in favor of parliamentary reform, with a suffrage which "must be extensive to secure the voters against corrupt influence." We hear something again of his private affairs—how he sold his Spanish stock "at rather a better price than that at which I purchased it," and "thought it right to sell some [Bank of England stock], not much indeed (£2500), being firmly persuaded that it is much too high, and that after a little sober examination the price will fall."

It has often been noted that Ricardo was diffident as to his own powers, and especially as to his ability to set forth lucidly the doctrines of whose truth he was convinced. In one of the earliest of these letters, written in 1815, he is led to touch on his literary ambition. He had sent to Malthus, for criticism, the manuscript of what was later published as the *Proposals for an Economical and Secure Currency;* and Malthus, on returning it, commented favorably on the matter, but unfavorably on style and arrangement.

Thus, you see [writes Ricardo to Trower] that I have no other encouragement to pursue the study of political economy than the pleasure which the study itself affords me, for never shall I be so fortunate, however correct my opinions may become, as to produce a work which shall procure me fame and distinction. . . . Perhaps with repeated revisions during a year or two I shall at last produce something that may be understood.

In a later letter, speaking of a review of his *Principles*, he remarks, "My style and arrangement are, fortunately for me, not mentioned." This diffidence, however, arose in no way from doubts in Ricardo's mind as to the soundness of his conclusions, or from any overshadowing respect for the authority of those with whom he differed. His contemporaries are judged with a firm and rarely erring mind. Of McCulloch he says, guardedly and truthfully, that "he is a zealous advocate for the correct principles of Political Economy and is more actively employed in their dissemination than any individual I know."

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Sismondi and Say he met during a tour on the Continent. He debated economic questions with the former, who

> advanced his peculiar opinions, which were combated by the Duke [de Broglie, — their host] and me. . . . When he contends that the abundance of production caused by machinery, and by other means, is the cause of the unequal distribution of property, he entirely misconceives the subject, and does not succeed in showing the connection of his premises with his conclusions.

The Duke remarked to Ricardo that Say's "notes in the French translation of my book showed clearly that he did not understand what the subject in dispute was"; and Ricardo added, of Garnier, the translator of Adam Smith, that "the observations of the Duke de Broglie on Mr. Say's knowledge of my principles are equally applicable to M. Garnier." Poor Southey gets a hard knock: "the reveries of Southey on questions of political economy will, I hope, no longer be admitted in any respectable journal."

To those who think of Ricardo as a *doctrinaire* it may be surprising to find that he proposed a remodelling of the Corn Laws in the direction simply of moderated protection. The duty on wheat was to go down to 20*s*. per quarter, and then by stages of 1*s*. a year until it should reach the definitive rate of 10*s*. Of this proposal he writes to Trower: "I had no idea of being able to do any good now, in the way of making better laws, but I hoped to lay the foundation of a better system in the future." Uncompromising advocate as he was of the early and unhesitating resumption of specie payments in England in 1819, he yet wrote to John Wheatley:

> I should never advise a government to restore a currency, which was depreciated 30 per cent to par; I should recommend, as you propose, but not in the same manner, that the currency should be fixed at the depreciated value by lowering the standard, and that no further deviations should take place. It was without any legislation that the currency from 1813 to 1819 became an increased value, and within 5 per cent of the value of gold, — it was in this state of things, and not with a currency depreciated 30 per cent, that I advised a recurrence to the old standard.

Russia, Austria and Japan may thus cite Ricardo as approving the principles on which of late years they have established the gold standard.

But on some topics Ricardo's confidence in the workableness of principles established by rigid reasoning was curiously strong. None of his doctrines are more accurately reasoned than those on the

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

principles of taxation; but none need to be applied with more caution to concrete legislative problems. Yet he believed that

> political economy, when the simple principles of it are once understood, is only useful, as it directs governments to right measures in taxation. We very soon arrive at the knowledge that agriculture, commerce and manufactures flourish best when left without interference on the part of government, but the necessity which the state has for money to defray the expenses of its functions, imposes on it the obligation to raise taxes, and thus interference becomes absolutely necessary. It is here then that the most perfect knowledge of the science is required. . . .

Notwithstanding the title of his book, — *Principles of Political Economy* and *Taxation*, — he felt that much remained to be done in working out the corollaries from his doctrines: "I, as well as you, would like to see an application of the principles of political economy, as now understood, to the practical operation of taxation."

These excerpts will indicate how much that is significant and instructive the student of English economic thought will find. The interested reader will turn to the volume for himself, aided in finding what he seeks on any special topic by the painstaking work of the editors.

F. W. TAUSSIG.

HARVARD UNIVERSITY.

Grundriss der allgemeinen Volkswirtschaftslehre. Erster grösserer Teil. Von GUSTAV SCHMOLLER. Leipzig, Duncker und Humblot, 1900. — 482 pp.

Times change, and men with the times. It is not so long ago that, in the course of a bitter controversy with one of the leaders of the Austrian school, Professor Schmoller scouted the possibility of a successful book on the principles of economics. Yet now, after thirty-five years of teaching and writing economic history, he shows that he has modified his earlier conclusions and makes a noteworthy attempt to create a systematic treatise. His *Outlines of Economic Science* is, however, constructed on lines so different from those to be found in English literature, that it deserves a somewhat fuller statement of contents.

The first instalment of the work is composed of an introduction and two books. The introduction takes up, in its three very unequal divisions, first, the conception of economic life; second, the psychical, ethical and legal bases of social life; and, third, the historical development of economic doctrine and the methods to be pursued. In

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

this introduction the most important division is the second. In a series of chapters the author discusses the aims and means of social intercourse; the influence of language and writing; human wants and human instincts; the economic motive and economic virtues; the relations of custom, law and ethics; and, finally, the connection between the economic and the ethical life. In all this we have very largely a repetition of what was made familiar to German readers over a quarter of a century ago, in the famous controversy between Schmoller and Treitschke. The outlines are the same, but they have been filled in with the results of further reflection and of more recent discussion. Here, as in the third subdivision, where questions of method are discussed, we notice a softening down of the asperities of controversy and a greater readiness to confess that the other side is not entirely mistaken. The first book then proceeds to take up the general questions of the foundations of economic life, under the title "The Land, the People and Technique." Four chapters treat in turn of economic life in its dependence upon external conditions of nature; of the growth and characteristics of the various races of mankind; of the general problems of population; and of the development of technique in its economic aspect. The first chapter not only discusses geographical, geological and climatic conditions, but has an attractive section on the influence of fauna and flora on economic progress. Chapter II is a brilliant summary of the results of modern ethnographical research. The treatment of population in Chapter III is less novel. Perhaps the most interesting of all is the fourth chapter, in which new light is thrown on the old distinction between the hunting, the pastoral and the agricultural stage of society, and in which an attempt is made to estimate the real significance of the modern age of machinery.

The second book deals with the social institutions of economic life. In the first chapter the family economy is discussed. The origin of social life, the growth of mother right, the development from the matriarchate to the patriarchate, the influence of the horde, the clan and the tribe, down to the modern state and the modern family, are taken up in turn. All this is largely based on the conclusions of Morgan, as amplified by the researches of later continental scholars. The most interesting part of the chapter is the close, where the modern problems of the family are considered in the light of history and of the economic demands of the future. Chapter II deals with early migrations and the habitations of social groups, more especially the interrelations between town and country

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

life. The next chapter discusses the economic life of political communities, and incidentally contains a very cursory treatment of some of the principles of finance. A fourth chapter deals with social and economic division of labor, which is treated broadly, as including the division of society into economic classes, as well as the subdivisions of each class. Chapter V is entitled "The Essence of Property and the Bases of its Distribution." Chapter VI takes up the problems of the fourth chapter from another point of view, under the title "The Growth of Social Classes." The final chapter, entitled "Enterprise," deals with the development of the forms of business management, more especially the relations of agriculture, commerce and industry, the growth of the factory system, and the formation of corporations and trusts.

From this survey it will be seen what a mass of problems, usually neglected in the English works on the subject, are treated by Professor Schmoller. He may be said to sum up, under each one of these topics, not only the results of his own thirty-five years of investigation, but also those of the entire body of recent investigators in the subjects of archæology, of ethnology, of sociology, of ethnography and of all of the other sciences which deal with the origin and early development of social life. For this reason, if for no other, his book will be of great value, for Schmoller has a happy way of combining the researches of others and of weaving them together into a connected whole. Moreover, his pen is so facile and his style so engaging, that what in many of the specialists' writings is dry and uninviting becomes in his pages rarely attractive. More than any other living writer, Schmoller realizes the complexities of economic life and the necessity of digging deep and wide in order to uncover its roots. One rises from the perusal of the work with the conviction that the problems of modern life are inexpressibly intricate; that one can understand what is only after a careful study of what has been, and that no one has a right to discuss what ought to be, unless he stands on the solid ground of familiarity with what is and what has been.

While all this is gratefully acknowledged, and while Schmoller's methods, so far as the bases of economic life are concerned, are in harmony with the trend of modern investigation, it must be pointed out that his so-called outline of economics has very little in common with what is usually termed economic science. It is, however, not quite fair to pass judgment upon an entire work, when only the first instalment has appeared. Schmoller promises to treat in the next

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

volume of exchange, of money, of value and price, of credit and of distribution in general. But, in the first place, the second volume is to be far smaller than the first, and is to include not only all these subjects, but a full discussion of the historical tendencies of economic life as well. Accordingly, what in English books is called the principles of political economy will occupy in Schmoller's treatise only an insignificant part of the entire work. To judge from everything that he has hitherto done, there will be very little economic theory, in the sense of an analysis of the fundamental problems of value. We may, therefore, safely characterize Schmoller's *Outlines* as containing, not the principles of political economy, in the form of an analysis of the problems of value, but rather the principles of economic development and the relations of economic to social life. Schmoller, like so many of the historical school, has never had any conception of the real meaning or value of pure economic theory, and it would be surprising if his second volume were to contain anything more than the vague platitudes and glittering generalities so generally found in German works of the historical economists.

Taking the work, however, for what it is, and not for what it might be, it may be wise to call attention to some criticisms that can be urged against what is undeniably a magnificent piece of work. In the first place, Schmoller has been so long in the habit of dealing with the relations between economics and the other moral sciences, and has so justly been filled with contempt for those who seek to attack fundamental problems with a slight apparatus of philosophical training, that he falls into the error of making a little too much parade of his philosophical knowledge. We grow slightly weary of the "psychological," and "psycho-philosophical" and "physio-psychological" explanations which are being continually hurled at us, especially as at bottom Schmoller does not really differ so much from those whom he attacks. Take, for instance, his discussion of the economic motive. We have page after page of brilliant writing on the narrowness and stupidity of the Manchester School and on the multiplicity of other motives that actuate human beings; and yet, after all has been said, we find it stated in many other parts of the work that the modern industrial age is practically the age of the predominance of the economic motive. Again, although Schmoller's generalizations are usually illumining, in the discussion of the stages of economic life his treatment is far less clear-cut than that of some recent writers — for instance, Bücher. And while Schmoller usually knows how to bring out in bold relief

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

the economic causes of the changes in social conditions, he sometimes nods. His discussion of slavery, for example, is entirely inadequate; so far as he is concerned, the work of Loria and other Italian writers seems not to exist. That he has not escaped the prevalent chauvinism of the Germans is not to be wondered at. Although he evidently tries to be impartial, some of his criticisms on other races, including the unfortunate Yankees, would be laughable if they were not so brilliantly written. We regret also to find such a disdain for the great Englishmen who preceded him as one would expect to meet only in the works of second and third rate writers, who seek to cover up their own lack of constructive powers by personal abuse of their betters.

The real political economy has still to be written. Some day it will be recognized that the science of economics must be treated in a broad and catholic spirit—that it must include not only an analysis of what exists, but also a study of how the economic life has come to be what it is, as well as an investigation of what it may come to be in the future. The English economists have centered their attention upon the first problem, but they so neglect the second that they only half solve the first. Schmoller and his followers are sometimes called economic historians, rather than historical economists. They fix their gaze so largely upon the second set of problems that they have but little time for the first. The political economy of the future will be a combination of Schmoller and of Ricardo; it will realize that we cannot have any science worthy of the name without the deductive and hypothetical work of the so-called "pure theorists"; but it will at the same time confess that the laws of economic life comprise not only the laws of being, but also the laws of becoming, and that the historical generalizations of a Schmoller are essential, although not adequate, to a thorough comprehension of actual conditions. Not until economists are broad enough to include both these lines of thought will they be in a position to deal with the problems of the future — of what ought to be. Not until then will economics be able to serve as a guide to the legislator, to the workman and to the captain of industry. In calling attention to one side of this problem, Schmoller has accomplished an enormous task. In failing to realize the importance of the other side, he lays himself open to a criticism similar to that directed by him against his bugbears, the theorists of the Manchester School.

EDWIN R. A. SELIGMAN.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

La Teoria del salario nella storia della dottrine e dei fatti economici. Di GIUSEPPE RICCA-SALERNO. Palermo, Alberto Reber, 1899. — 687 pp.

In the book before us Professor Ricca-Salerno takes up one aspect of the question of distribution — the theoretical determination of wages. However much one may differ with the author in his conclusions, there can be but one opinion as to the masterly and scholarly character of the work. It is at once a history of wage theories and of wages, and is at the same time throughout keenly critical and constructive.

In his exhaustive survey of the various theories of wages, the author shows an extensive acquaintance with the literature of his subject. Not only do the theories of well-known economists come under review and criticism, but also the theories of many early writers (particularly English) whom few but specialists now know even by name. The history and criticism are, however, incidental to the main purpose of the work — the elucidation of the author's own theory and the demonstration of its adequacy for the solution of the knotty problems involved in other theories. Indeed, according to Professor Ricca-Salerno, all other theories involve contradictions, *petitio principii* or the confusion of effect with cause. Some one or more of these defects are found in the quantity theory, the cost theory, the sacrifice theory, the demand-and-supply theory, as well as in the numerous modifications of these theories. The difficulty is not that other theories are wholly false, but only that they do not go far enough, and hence do not afford a complete solution of the problem.

Assuming utilitarian economics as the groundwork, the principle of the true theory of wages is found in the difference of "comparative values" of exchanges effected in different periods of time. Wages, in short, consist in the anticipation of future wealth by means of present wealth, and are determined by means of an exchange between capitalists and laborers. "The necessary and sufficient condition of the exchange is that disposable wealth has at one time a higher value for laborers and a lower value for capitalists than the corresponding product" (p. 25). Moreover, the amount of the disposable wealth that goes to wages, as also whether wages are high or low, depends upon the comparative value to laborers and capitalists of the wealth consumed as wages and the future product of labor. But this exchange between the capitalists and the laborers, which is the foundation of the "capitalistic process," is not a whit different in principle from the exchanges involved in the employment of indirect labor in

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

the form of material instruments of production. In either case it is simply a question of comparative values, in which the element of time is an all-important factor. The future product is likewise a matter of importance, but only its value and not its amount. And yet neither the productiveness of labor nor the element of time afford in themselves a satisfactory explanation of wages; for the fact is that they themselves need explanation. Such explanation is found the moment we apply to them the principle of "comparative values."

But we have here not merely a theory of wages; for the doctrine of "comparative values" furnishes the key to the whole problem of distribution. By it may be determined, as by no other theory, the proportions in which the product is divided among the different factors of production. By the same law of "relative utility" is likewise determined what proportion of any existing wealth will be directed to immediate consumption and what to the payment of wages, in anticipation of the future product (p. 49). It determines, further, the proportionate employment of direct and indirect labor, of skilled and unskilled labor, and of women and children.

Professor Ricca-Salerno follows no school, and certainly no economist, blindly. That his theory of wages has all the simplicity that is claimed for Austrian economics, there can be no question. And apparently he is not far behind Sax in the supreme confidence that he has in his theory. No doubt the validity of the author's claim will be judged differently by different critics, but he has given us a most important contribution to the theory of wages.

Though in general sympathy with our author, I would suggest that due weight has not been given to the influence of demand and supply in the determination of wages. For is it any more in accordance with facts to say that the comparative value that is supposed at any time to determine wages is the cause or condition of the demand and supply of labor, than it is to say that the number of laborers and the demand for labor are the cause and condition of the particular estimate of comparative value that is made at any given time by capitalist or laborer? In short, is the doctrine of "comparative values" fundamental? Can we at bottom escape the vicious circles so frequently criticised in other theories? Again, is the doctrine of "comparative values" adequate to the explanation of wages, where industries are under monopolistic control and labor is unorganized? Or is the theory wholly free from the *petitio principii* of other theories?

STEPHEN F. WESTON.

CLEVELAND, O.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

The Economics of Distribution. By JOHN A. HOBSON. New York, The Macmillan Company, 1900. — 361 pp.

This is a welcome addition to the literature of economic theory. By its critical, as well as by its constructive, work, it helps to force readers out of the deep rut in which Ricardian formulas have so long caused economic thought to run. The interest that attaches to the author's criticisms of theories other than his own arises from the fact that the criticisms single out for attack what have been regarded as nearly unassailable positions. They show, in fact, the vigor and the dash that characterize frontal attacks on impregnable fortifications; and to the defending forces, at least, the results are somewhat akin to those that follow such military movements. There may be some rearranging of the garrison and some calling in of exposed picket lines, but the fortresses will not fall.

It has been customary to say that in buying a much-needed article a man gets a "consumers' rent," or a net personal gain above the sacrifice that he incurs in procuring the article; and it has been further customary to say that, in the case of a particular purchase, the measure of this rent is the amount that the man would give, in excess of what he does give, rather than deprive himself of the article purchased. Mr. Hobson shows that, if we put all the man's purchases together, there is no extra amount that he would, as a practical fact, have given for the sum total of what he gets, for the obvious reason that he has no extra amount to pay. All of his purchases take all of his money; and if each bit of income is paid out as it is received, all of the things that one such fraction of income buys take the whole of this fraction of available means; and the man certainly could not, under any inducement, pay more. Is this, in reality, a very serious charge against the theory of consumers' rent? If a man could not get a coat without paying a hundred dollars for it, would he not forego spending money on less necessary things and get the coat? Is there not a surplus of personal gain in getting the coat for twenty-five dollars? It is, indeed, true that calculating the rent in this way reduces the outward measure of it, as Mr. Hobson says, to the cost of the less necessary articles which the man would be able to forego. What really appears, however, from this discussion is that there is a better way to describe consumers' rent than the one that reduces the measure of it to the money that a man, under certain circumstances, would actually have paid. This rent is a subjective surplus; and if it is to be measured at all, the measurement must be made by some psychological unit.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Again, Mr. Hobson rejects a certain mode of testing the specific products of labor and of capital, by the method of withdrawing from an establishment a unit of one of these agents and measuring the reduction of the product that ensues. He claims that, as the agents work together organically, the withdrawal of a unit of one of them reduces the output by an amount a portion of which is, in reality, the product of other agents, and that there is, for this reason, an inaccuracy in the measurement so made. This proves that, in testing the productivity of labor or of capital, it is necessary to avoid this inaccuracy, as can perfectly well be done. The withdrawal of the unit of one of the agents must be made in a way that shall not produce a disorganizing effect and shall not take from the product any more than the amount that is really imputable to the agent.

Very well has Mr. Hobson, following Professor Marshall, called for a recognition of the influence of cost, as well as that of utility, in determining price; but the mere study of the bargaining process, as given by Mr. Hobson, stops far short of going to the bottom of this subject and revealing the true relations of cost and utility. Excellent for suggestion to the student are the shortcomings, as well as the positive merits, of this work.

JOHN B. CLARK.

The Trust Problem. By JEREMIAH W. JENKS. New York, McClure, Phillips & Co., 1900. — 279 pp.

This is a most interesting and valuable little volume, giving the results of twelve years of study and investigation by a man distinguished for his practical good sense, his knowledge of affairs and his rigid impartiality. The character of the book is exactly described by the title. The presence and influence of the "trust" is a problem to be solved. We need to gather information from all possible sources; to consider the question from all points of view; to recognize the good, as well as denounce the evil; and, finally, to seek such a course of action as shall be practicable and useful. The author does not waste much time on the question of what constitutes a monopoly, or whether there can really be a complete monopoly except by legal sanction or on the basis of exclusive control of natural resources. The question whether mere aggregation of capital can constitute monopoly he solves in the following practical and, for most purposes, adequate fashion:

> Granting, then, all that can be said with reference to the special advantages that come from legal monopolies and from natural monopolies, it still

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

seems reasonable to believe that without them what must, under the present usage of terms, be called monopoly, does through the power of capital exist, temporarily, at least; and apparently it may exist permanently, exerting, if it wishes, some if not all of the power exercised by other monopolies, and needing like them the restraining hand of the state through courts and legislatures to prevent abuse. The term "capitalistic monopoly" has been given to this kind of business organization, and until a better expression is found, it seems well to make use of that [p. 76].

The "capitalistic monopoly" is the most important industrial phenomenon of modern times. It deserves to be analyzed and studied with the greatest care. This the author does in masterly fashion, with clear discrimination and comprehensive knowledge. He gives the natural history, so to speak, of large scale production and of combination. He describes the methods of organization and management, the functions of promoter and financier, the basis of capitalization and the methods by which rivals are absorbed or crushed. His treatment is realistic. He is not deceived by the cry of "natural evolution," which is so often used to divert attention from works of guile; nor does he fail to see the great economic forces at work underneath what often seems like simply the greed and unscrupulousness of individuals. What he is concerned with is the balance of good and evil. "It is probable that few trusts are entirely evil, and that none are all good." The good qualities of trusts are summed up in the phrase, "the saving of the wastes of competition." It consists in the abandonment of poor or badly situated plants, and the concentration of energy in the best ones; in the utilization of by-products; in the employment of the ablest men and the best advertising devices; in the best division of labor; in the saving of cross-freights; and in the power of large capital to push markets into new fields, both at home and abroad.

Professor Jenks presents the other side of the question with equal emphasis and impartiality.

Enormous as these benefits to society may be from this better organization of capital under the new régime, no less pronounced are the evils. (1) Investors of capital are often grievously wronged through concealment of facts and deception practiced by promoters and directors at the time an industry is organized, and later through misrepresentation of the condition of business, and of the methods in which a business is carried on. . . . (2) A second class of persons injured is that of the stockholders. Directors not infrequently manage the business in their own interests, regardless of those of the stockholders. . . . (3) Persons, not members of a corporation, may be injured as consumers by high prices, which can be kept high,

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

provided the combination can secure monopolistic power. . . . (4) The producers of raw material may be injured by low prices, which the combination, by virtue of its being the largest, if not almost the sole buyer, can compel the producer to accept. (5) The combination may so increase its power as to injure the wage-earners by compelling them to accept lower wages or to work under less favorable conditions than would be granted by competing concerns [p. 213 ff.].

Additional evils are (6) political corruption; (7) the lowering of the mental tone of the business community, by depriving individuals of the privilege and of the power to enter independently into business; and (8) the lowering of the moral tone of business, by unscrupulous methods in dealing with competitors, customers and laborers, to which the great power of combinations offers unusual temptation.

This enumeration is a formidable one; and if all the charges were true, current denunciation of the trust would be none too severe. Publicity of accounts would probably protect the investor and the innocent stockholder, if it is thought necessary to intervene in their behalf; while the evil political and social effects probably are no greater than those incident to the concentration of power in the hands of individuals (see p. 216). The serious charges are the third, fourth and fifth — namely, that the trust raises prices for consumers, lowers prices for producers and lowers wages. Concerning these charges two remarks are to be made: First, they are capable of statistical proof, and should be carefully proven before they are accepted; and, secondly, if these charges are true, it means that any remedy, to be efficient, involves the regulation of prices and the fixing of rates of wages.

Professor Jenks has made the first serious effort to give us quantitative measurements of the influence of trusts on consumers' prices in the investigation for the Industrial Commission, the conclusions of which are reprinted in this volume. While they show that combinations attempt, during periods of harmonious union, to recoup themselves by high prices for the low prices due to cut-throat competition, they also show that it is very difficult to maintain these prices. Much more statistical work needs to be done before we can assert that trusts raise prices to all consumers. The evidence in respect to the oppression of the producer of raw material is still weaker; while in regard to wages the impression is made that trusts have raised wages, rather than lowered them.

Professor Jenks advocates "publicity" as the first step towards regulating trusts. This might remedy some of the minor abuses, but

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

would hardly affect the matter of prices. Direct regulation of prices and wages is a clumsy expedient which has never been very successful. Taxation might be a means of restoring to the public a part of the excessive profit made by trusts. It is probable, however, that fear of competition and the pressure of public opinion, compelling reasonable prices and fair wages, will be the most effectual means of escaping the evils of trusts, while retaining their benefits.

RICHMOND MAYO-SMITH.

Railway Coöperation. An Investigation of Railway Traffic Associations and a Discussion of the Degree and Form of Coöperation that should be granted Competing Railways in the United States. By CHARLES S. LANGSTROTH and WILSON STILZ, with an introduction by MARTIN A. KNAPP, Chairman of the Interstate Commerce Commission. Publications of the University of Pennsylvania: Series in Political Economy and Public Law, No. 15. Philadelphia, 1900.—xv, 210 pp.

These essays, of about equal length, were submitted, with others, in a prize competition open to students in the senior class of the Wharton School of Finance and Economy of the University of Pennsylvania. The subject of the essays is set forth in the preface by Professor Emory R. Johnson, under whose direction they were prepared. From his statement it appears that, though "railway coöperation" covers a field which is almost coextensive with the domain of railway activities, the subject, as presented for the prize competition, was practically limited to that form of coöperation which is expressed in traffic agreements and in associations for the maintenance of rates. It was further confined, though with somewhat less definiteness of expression, to the "present practical, economic and political question," whether carriers shall be permitted to agree among themselves in regard to rates to be charged on competitive traffic and make such agreements effective by agreeing to divide the business or the earnings therefrom in certain proportions.

It is impossible not to regret that both writers saw fit to disregard this limitation and to devote portions of their space to the discussion of other forms of coöperation, which, however interesting in themselves, have here served merely to divert attention that might more profitably have been expended upon the more important and pressing question. Mr. Stilz's essay is especially reprehensible in this respect, many of his digressions affording unmistakable evidence of padding.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

The essay which received the prize, that by Mr. Langstroth, is a careful historical and analytical study of agreements for the maintenance of the rates applied to competitive traffic and of the efforts to remove the incentive for violating such agreements by dividing traffic in fixed proportions. The writer has made discriminating use of the best secondary sources of information, but appears not to have had access to even the more important records and agreements of the great traffic and pooling associations. Had the fact been otherwise, he could scarcely have missed the important distinction between "tonnage" and "money" pools, which at one time played such an important part in determining the attitude of shippers toward the pooling system. This oversight is unfortunate, as the adoption of a pooling amendment to the Interstate Commerce Law will be likely to revive the controversy concerning the relative advantages of the different systems.

The opinion expressed by Mr. Langstroth, that pooling prior to 1887 was especially weak because the agreements lacked legal sanction and were always subject to "competitive influences which could not be smothered," and his conclusion that rates were not extortionate when pooling prevailed, are in accordance with the facts. With regard to both of these subjects the data have been carefully collected and are skillfully presented.

The statement (p. 17) that "in no other industry is the cost of performing an increased service so low, compared with the cost of the previous amount of service, as in the railway," is doubtless a careless generalization and is unquestionably incorrect. It is also incorrect to say, as Mr. Langstroth does on page 16, that "the point to which a railroad rate will fall during a 'rate war' is fixed by the actual cost of each particular operation." By this he probably means that it is fixed by the direct cost of handling particular shipments, but such a statement is not supported by the history of struggles for competitive traffic, and is apparently contradicted on page 46.

The work of Mr. Stilz is much more ambitious in scope and far less satisfactory in execution. A few examples will indicate its value. On page 107 Mr. Stilz says:

> Connecting lines saw that they had everything to gain and nothing to lose by developing long-distance traffic; for local receipts were evidently in nowise diminished thereby, and every through passenger or through consignment was a source of net gain.

If railway owners and managers were ever as short-sighted as the foregoing sentence suggests, it is interesting to know that agricultural

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

producers were more clear-headed in their anticipations. The following statement, concerning the attitude of the farmers along the line of the proposed Pennsylvania Railroad between Philadelphia and Columbia in March, 1828, is from *Reminiscences of a Railroad Engineer*, by W. Hasel Wilson, who served as rodman in connection with the original survey of that route.

> The general sentiment, however, was that if the railroad should ever be built and accomplish what its friends claimed, the adjacent country would be ruined, as the city market would be overstocked with agricultural products from a distance, where land was cheaper and expenses less.

The most superficial student of American railway history should know that the fears thus described were in a measure realized, and that similar results have followed every notable extension of the railway system into new producing regions, with the consequent increase in long-distance traffic.

Again, on page 109 Mr. Stilz declares that "neither doubt nor opposition has ever limited the efforts of our carriers to promote the freest interchange of traffic between connecting lines." The writer must have overlooked the construction of railways with varying gauges for the express purpose of hampering the interchange of traffic, as well as numerous other expressions of the desire to compel the breaking of bulk in through shipments.

On page 120 a question that is at least open to discussion is summarily dismissed, with the statement that "the general superiority of a commission with mandatory power as compared with . . . an advisory commission" was demonstrated by the results of the Granger legislation.

Between 1877 and 1887 the states of Iowa, Minnesota, Kansas, California, Alabama and Arkansas adopted laws prohibiting pooling, and many other states provided penalties against unjust discrimination; yet on page 133 Mr. Stilz states that

> the fact of significance is that popular feeling from 1877 to 1887 did not reach such a pitch as to make necessary further statutory enactments against discrimination. . . . We do not, therefore, find any further action taken at this time against coöperation of competing lines.

A word may well be added in regard to the discussion of the fourth section of the Interstate Commerce Law. This discussion is introduced *vi et armis* and extends from page 155 to page 160. It was evidently prepared exclusively from the reports of the Commission, and it is at best a shockingly superficial statement of

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

the position of that body. The author declares that the Supreme Court of the United States has held that

> competition, . . . even when between carriers subject to the Interstate Commerce Act, creates a dissimilarity of circumstances sufficient to justify a greater charge for the shorter distance [and] that the presence of competition is in itself a valid reason to regard the prohibitory part of the fourth section as of no effect.

After this it is not surprising that the author, becoming indignant, proceeds to declare that "our courts have decided that exemption from the fourth section is really to be granted *as a premium on competition.*" These italics belong to Mr. Stilz. Of course the Court has said no such thing. What it did do was to declare, very properly, that such competition *might* constitute the substantial dissimilarity of circumstances and conditions required by the law to justify higher charges on intermediate traffic, and should therefore be considered in determining whether the section had been violated.

Taken in its entirety, the work is disappointing, though it will have some utility until it is replaced by something better. The history of railway pooling, of the agreements to which it was intended to give effect and of the arrangements that have been attempted as substitutes since pooling became illegal, must yet be written (neither Mr. Langstroth nor Mr. Stilz appears to have heard of any pooling arrangements since 1887); and it merits the attention and arduous endeavor of the best equipped among American students of industrial relations.

H. T. NEWCOMB.

CENSUS OFFICE, WASHINGTON, D.C.

The New Trades Combination Movement. Its Principles, Methods and Progress. By E. J. SMITH. With an introduction by the Rev. J. Carter, M.A. London, Rivingtons, 1899.—96 pp.

The movement which this book describes seems to involve a combination of the trust and the labor union. Its purpose is to maintain prices and secure profits to the manufacturer. To this end a system of cost taking must be agreed upon by all the manufacturers in a given trade. Having agreed upon the normal cost of production, each manufacturer agrees not to sell below cost. In order to enforce this agreement, the labor unions are brought into the combination, the manufacturers agreeing to employ none but union laborers and the laborers agreeing not to work for any employer outside the combination. Under this arrangement any

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

manufacturer found guilty of violating his agreement by selling below cost will be expelled from the organization and will find himself unable to employ union laborers. In return, the laborers are guaranteed a scale of wages agreed upon, no reduction of wages or other change disadvantageous to the laborer being allowed. These are the essential features of the scheme, as nearly as they can be understood by the uninitiated reader.

The author is himself the originator of the movement, which began in the metallic-bedstead trade and has since spread to several others. While he professes to give a plain account of the scheme, there is very little that is descriptive and a great deal that is polemical in the book. Basing his argument on the proposition that it is wrong to sell below cost, which is manifestly a sound proposition, he has little difficulty in justifying the main purpose of the movement.

He is less fortunate, however, in defending it against the criticism that such a combination will not be content with reasonable prices. Here he simply demands proof that any trade organized on this plan has ever charged exorbitant prices. This impresses one as a shrewd argument, but not altogether a satisfactory one, since none of his critics is likely to be in a position to prove such a thing, even if it were true. He is still less satisfactory in meeting the objection that such a combination will be slow and reluctant in adopting new and cheaper methods of production.

Upon the subject of foreign competition the author is quite satisfactory and has little difficulty in showing that the combination is better able to meet the foreign competitor than a group of isolated producers; but, in showing how the combination may drive out the foreign competitor by underselling and by discrimination, he also reveals the teeth and claws which may be used in the destruction of the independent rival who proposes to start in business for himself in the home country. In short, such a combination will have and use all the weapons of the trust, with the additional advantage of having the labor unions in the combination with it.

In discussing the problem from the standpoint of the consumer, the author falls into hopeless confusion. What, for example, could be more naïvely suggestive of Bastiat's story of the broken pane than the following passage (pp. 88, 89):

> The persons who primarily reap the benefit of combination are supposed to be the manufacturers and the work-people. But are these all? The manufacturer who makes profits pays his way and does not become bankrupt. Evidently the business people with whom he deals share the

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

benefit of his improved position. Moreover, he has more money to spend, and he spends it. He will call in an accountant to make a good balance sheet, but finds that he cannot afford anybody to make him out a bad one, until, indeed, it comes to the worst, when he must do so *once*. He will be more willing to engage a solicitor to draw up an agreement, instead of depending upon his own limited legal knowledge. He will not be so particular about calling in a doctor to the members of his family when he is in a position to pay him. In fact, it is well known that everybody is "better off" when trade is good than when it is bad. This means when *profits* are good. If fair profits could always be obtained, the same result would always follow. That is to say, fair profits must benefit many people besides the manufacturer who makes them. The same argument applies to the work-people. They pay their rent instead of moving by moonlight from one house to another. They buy more furniture, better clothes, better food, and more of it. The shopkeepers are benefited, and the workmen's families are made more comfortable. Commercial travellers, too, get more commission on high prices than on low ones, and clerks, foremen and managers get increased salaries with improved circumstances. If all these people are taken away from the consumers who are supposed to suffer by combination, it is a difficult matter to define who is left.

Again, what can be more crude or brutal than the following:

As a matter of fact the consumer holds the power in his own hands. He can insist upon fair treatment, and he does. He often complains without a cause, but if he has a cause he also has a remedy. He can make for himself.

It is easy to see that under the modern factory system such a remedy in the hands of the consumer is useless; and the author's idea of the exorbitant price of a commodity must be a very liberal one, if he intends simply to keep within such limits as will prevent the consumer from manufacturing his own goods. Of course the author makes a show of reasonableness, in basing his whole argument on the fundamental proposition that it is wrong to sell below cost. This position is capable of justification on most careful economic analysis; for a manufacturing community is simply consuming its patrimony and destroying its capital, if the manufacturers are forced to sell below the cost of production. But what we are specially interested in knowing is: What guaranty have we that the interests of the consumer, as well as those of the producer, will be carefully guarded when the producer is himself at once the judge, the jury and the executioner? If Mr. Smith can satisfy us on this point, we can have very little to say against the movement.

HARVARD UNIVERSITY. T. N. CARVER.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Quarterly Bulletin of the Bureau of Economic Research, No. 1, July, 1900. New York, Bureau of Economic Research.

Professor John R. Commons, assisted by Mr. N. I. Stone, has compiled a valuable index number of prices in the United States for the twenty-two years 1878 to 1900. It is based upon quotations of prices of sixty-six standard articles for which there is a uniform grade and an open market. The prices, taken mainly from standard trade journals, can easily be verified, and are such as are apt to be continuous. The base selected is the average price for the years 1879–89, a period beginning with the resumption of specie payments, thus avoiding paper-money prices and the necessity of transposing paper into gold prices. The total index number is calculated both as a simple and as a weighted average, the weighting being done according to the importance of the articles in the production of the United States. The two methods are found, as usual, to give nearly the same results.

The number itself shows four striking movements during the twenty-two years: a rise from 1878–79 to 1881–82; a fall back to the same level from 1881–82 to 1889–90; a further fall to 1896–97; a recovery to 1899–1900. The last recovery has been especially marked in metals and minerals. The whole course of prices corresponds fairly well to that shown by Sauerbeck for Great Britain.

The importance of this new index number consists in the fact that it is based upon standard articles, whose prices are found in the open market, and that it is to be continued. The Bureau proposes to issue weekly index prices to the newspapers and to gather these up into its quarterly bulletin. We shall thus have what may fairly be called a standard number for the United States which can be used for purposes of economic discussion. The index number of the Aldrich Report was based upon returns from manufacturers' books, and it is not easy either to verify or to continue these. The original number ended in 1891; and, although it has since been continued, it is not upon exactly the same basis. It is to be hoped that the Bureau will receive sufficient encouragement to continue its quarterly publication of prices and number. The work seems to be done with exceptional skill and with perfect impartiality and indifference as to the interpretation of the results.

RICHMOND MAYO-SMITH.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

RECORD OF POLITICAL EVENTS.

[From May 10 to November 10, 1900.]

I. THE UNITED STATES.

FOREIGN RELATIONS. — The only important occurrence under this head is the complete **resumption of friendly intercourse with Spain.** A postal convention, signed May 22, was followed, August 21, by the conclusion of a general treaty of amity and commerce. A convention signed November 7, provided for the purchase from Spain of two islands which were not included in the Philippine archipelago as described in the terms of the Treaty of Paris. On June 4 the Senate ratified a treaty of extradition with Switzerland. Also, as soon as a few of the more objectionable restrictions upon the importation into Germany of meat products from the United States had been set aside (see p. 757), a reciprocity agreement between the two countries was concluded, July 10. For the participation of the United States in Chinese affairs, see **the Chinese Imbroglio** (p. 761).

THE DEPENDENCIES. — Extensive frauds and mismanagement on the part of the chief American officials employed in the postal service of **Cuba** came to light early in May. As the result of an investigation ordered from Washington, the director of posts and several of his subordinates were removed from office, and the service was then thoroughly reorganized. In connection with the attempt to punish one of the guilty officials who had gone to the United States before the irregularities were discovered, serious legal obstacles were met with, to overcome which Congress passed an act, June 5, providing for the extradition of fugitives from justice in Cuba, on condition that the previous approval of a federal court in the United States should be secured. — Pursuant to the orders of the governor-general, municipal elections were held throughout the island June 16. The qualification for the suffrage was the ability to read and write Spanish, or the ownership of a certain amount of land, or an honorable discharge from the Cuban army. The returns of the elections showed an easy triumph for the Nationalist party, composed largely of the soldier element. On July 31 a proclamation was issued calling for the election, on September 15, of delegates to a constitutional convention. One of the functions assigned to this body, namely, that of determining the future relations of Cuba with the United States, did not obtain general approbation in the island. According to the returns, the Nationalists elected twenty-two out of the thirty delegates, the other eight owing their success mainly to the principle of minority representation. The convention began its labors

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

November 5. — In the field of administration several measures deserve notice. Señor Gener, the secretary of justice appointed early in August, promptly instituted a reform in the Havana audiencia, or circuit court, by removing several of the judges for malfeasance in office. A decree issued October 9 provided for the introduction of the writ of habeas corpus into the judicial procedure. Other decrees modified the Spanish law so as better to safeguard the interests of property holders against unjust litigation and those of merchants against the fraudulent practices of buyers. Furthermore, the provision of the Spanish law that renders penal any criticism of public officers was annulled. In response to a universal demand, the order of General Brooke establishing civil marriage (see RECORD for December, 1899, p. 739) was modified August 7, so as to recognize the legality of ecclesiastical marriage as well. A decree issued in July created a Board of Public Charities, placed several private institutions under the control of the state and made special provision for the care of children. Improvements in the system of taxation were effected by a decree of the same month which facilitated the collection of taxes, particularly in the rural districts, and created a sliding tax rate in the municipalities. — The voluntary surrender of several organized bodies of insurgents in **the Philippines** during the month of May and the subsequent capture of Pio del Pilar, one of their most aggressive leaders, raised the hope that the end of the rebellion was near. To this hope the proposals of peace offered by prominent Filipinos, June 21, were a substantial addition. The proposals called for a proclamation of general amnesty, the restoration of confiscated property, the guaranty of individual liberty according to the American Constitution, the establishment of civil government at Manila and in the provinces and the expulsion of the friars. On the same day General MacArthur announced that full amnesty would be granted, on condition that an oath of allegiance to the United States be taken within a period of ninety days. Replying specifically to the propositions of the Filipinos, the military governor stated that all the personal rights desired, except those pertaining to a trial by jury and the bearing of arms, would be granted; but the question of the friars would have to be referred to the Philippine Commission for settlement. Neither the proposals nor the proclamation of amnesty met with the result expected. A few weeks later the insurgents began to display an activity that betokened a reorganization of their forces. Especially in southern Luzon, and in two or three of the Visayan islands, have the American troops encountered stubborn resistance, and, on a few occasions, suffered comparatively serious losses. Early in November, General MacArthur was instructed to prosecute the campaign against the insurgents more vigorously. Some progress, however, was made toward civil government. On May 15 a new code of criminal procedure went into effect. Among its important features may be mentioned the abolition of secret trials, the removal from ecclesiastical courts of jurisdiction over offenses committed by priests and the

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

substitution of the American judicial system, so far as it might be applicable. The new Commission (see last RECORD, p. 362) arrived June 3; but, in accordance with the President's instructions (issued April 7, though not made public till September 17), it did not enter upon its complete duties till September 1. In brief, these duties embraced the exercise of the sole legislative and appointive power, while the military governor continued to be the general executive head. Other points mentioned in the instructions were the establishment of municipal and provincial governments, wherein the natives should enjoy great liberty in the management of their local affairs; the application of American constitutional principles in all public activities; the introduction of the merit system in the civil service; and the investigation of ecclesiastical titles to land. In pursuance of these directions, the Commission created a civil-service board of two Filipinos and three Americans, with the injunction that, other things being equal, preference should always be given to native candidates for office. At the request of the President, the Commission submitted its first report August 31. In it the Commissioners expressed the opinion that the rejection of amnesty and the maintenance of rebellion in the islands were due largely to a hope of defeat of the Republican party in the presidential elections. The assurance of a fixed policy on the part of the United States, the inauguration of a series of economic and judicial reforms and the organization of a native militia would, according to the Commissioners, inspire a degree of confidence certain to insure prosperity. — The census of **Porto Rico** showed that the total male population of voting age was 201,071, of whom 73,010 were colored; on the basis of a somewhat limited suffrage, those actually entitled to vote constitute about one-half of the above total. Conventions of the two political parties, the Republican and the Federal (the latter being affiliated with the Democratic party in the United States), were held on September 30, for the purpose of nominating candidates for the position of Commissioner to Congress and for members of the House of Delegates. On account of frauds alleged to have been committed by the Republicans in registration, the Federals as a body declined to vote; hence the Republicans elected all their candidates. As a consequence of the reduction of the tariff between Porto Rico and the United States, the exports of the island increased sixty-three per cent and its imports one hundred and twenty-three per cent between May and September. Stringency in money and occasional strikes, usually among agricultural laborers, have accompanied the process of converting the Porto Rican pesos into American dollars. — On May 28 Congress passed an act providing a civil code for **Alaska** and authorizing the representation of the territory by a delegate in Congress. — Territorial government was formally instituted in **Hawaii** June 14; and on September 24 were held the first conventions of the various political parties, Republican, Democratic and Independent, or native, to nominate candidates for Congress and for the territorial legislature.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

INTERNAL ADMINISTRATION. — In September the President appointed Mr. George von L. Meyer, of Massachusetts, ambassador to Italy, in the place of General W. F. Draper, who resigned on account of pressure of private business. — According to the official returns of the census, published October 30, the total population of the United States (including Hawaii) is 76,295,220, showing a gain of 13,225,464 since 1890.

CONGRESS. — Aside from routine legislation and an act raising the major-general commanding the army to the rank of lieutenant-general, the chief interest at the close of the session was centered in certain anti-trust measures and in a struggle between the House and the Senate over items in the naval appropriation bill. On May 15 the committee on the judiciary reported to the House a joint resolution for an amendment to the Federal Constitution, granting Congress the power to regulate trusts, without impairing the rights of the states in this respect, except when in conflict with the laws of the United States. The Committee reported also a bill amending the present anti-trust law, chiefly in two particulars: first, by declaring industrial combinations in restraint of interstate commerce to be crimes, instead of misdemeanors; and, second, by prescribing both fine and imprisonment as the penalty on conviction. Nothing contained in the act, however, was to be so construed as to apply to labor organizations of any kind. On June 1 the joint resolution failed to attain the two-thirds majority requisite, the vote standing 154 to 133. Five Democrats voted for it and two Republicans against it. On the other hand, the House passed the amendments to the anti-trust law, June 2, with but one dissenting voice. In the Senate they were referred to the Judiciary Committee but were not reported. As to the naval appropriation bill, the Senate fixed the price of armor plate for the vessels now in course of construction at $445 per ton, while the House insisted that the price should be left to the discretion of the secretary of the navy (*cf.* RECORD for June, 1899, p. 367). After repeated conferences and night sessions, the Senate yielded to the House on this point, and the House eventually surrendered to the Senate on another vexed question, that of the coast survey. Thereupon the first session of the fifty-sixth Congress terminated, June 7.

THE FEDERAL JUDICIARY. — In the case of Knowlton *vs.* Moore, the constitutionality of the inheritance tax imposed by the war revenue act of 1898 (see RECORD for December, 1898, p. 755) was sustained, May 14. The Supreme Court held that the tax levied by the act was not a direct tax, and that it satisfied the requirements of the constitution as to uniformity. On May 28 (Sully *vs.* American National Bank) the Court held that a preference shown to resident creditors of a foreign corporation over non-resident mortgagees, when such preference was not given them over resident mortgagees, was a discrimination that denied equal privileges and immunities to the citizens of the several states.

FEDERAL AND STATE ELECTIONS. — The Republican National Convention, held at Philadelphia June 19, nominated for President William

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

McKinley of Ohio, and for Vice-President Theodore Roosevelt of New York. The Democratic National Convention met at Kansas City July 4, and nominated for President William J. Bryan of Nebraska, and for Vice-President Adlai E. Stevenson of Illinois. The Silver Republicans, the Anti-Imperialist League and the fusion branch of the Populists accepted the nomination of Mr. Bryan and eventually that of Mr. Stevenson as well. The so-called "Middle-of-the-Road" Populists held a separate convention and nominated for President Wharton Barker of Pennsylvania, and for Vice-President Ignatius Donnelly of Minnesota. The only essential features in which the Republican and Democratic platforms differed from those of 1896 (see RECORD for December, 1896, p. 768 *et seq.*) related to imperialism and militarism, which the Democratic platform declared to be the paramount issues. This document asserted that the colonial policy inaugurated by the Republican administration, through its acquisition and government of dependencies, involved the substitution of the "methods of imperialism for those of a republic," and violated the principles alike of the Declaration of Independence and the Federal Constitution. It declared further that the Constitution "followed the flag," and insisted that the pledge of independence to Cuba should be speedily fulfilled. Regarding the action to be taken in the Philippines, it demanded (1) the foundation of a stable government; (2) the withdrawal of American rule over the islands; and (3) the application to them of the spirit of the Monroe Doctrine. It opposed, therefore, the extension of American sovereignty to countries of which the inhabitants could never become citizens of the United States. Also it denounced the dangers incident to the formation of a large standing army, which the war of "criminal aggression" in the Philippines had done so much to promote. Finally, at the behest of Mr. Bryan, a plank was inserted which specifically affirmed that portion of the Chicago platform which called for the "free and unlimited coinage of silver and gold at the present legal ratio of 16 to 1." — At the elections, November 6, the Republicans were victorious. The returns showed the **re-election of President McKinley**, by an electoral vote of 292 to 155. Although the Republican popular majority, especially in the East, was somewhat reduced from that of 1896, only four states, namely, Idaho, Montana, Nevada and Colorado, outside of the "Solid South" (including Kentucky, but not Maryland), cast their electoral votes for Mr. Bryan. On the other hand, the western states, Nebraska, Kansas, Wyoming, Utah, South Dakota and Washington replaced their Democratic majorities of 90,000 in 1896 by Republican majorities of 40,000. Similarly, the Republicans kept their control of Congress, by an estimated plurality of 20 in the Senate and of 55 in the House of Representatives. The latter will probably consist of 206 Republicans, 143 Democrats, 5 Populists and 3 Silverites. Practically all of the states which went Republican in the federal elections chose Republican legislatures.

STATE LEGISLATION. — On the ground that federal courts have no power to review the action of state courts relating to the constitution

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

and laws of those states, the Supreme Court of the United States declined to interfere in the contest over the election in Kentucky (see last RECORD, p. 365); whereupon the Democrats assumed control of the government, in accordance with the decision of the state court of appeals. At a special session of the state legislature, held in October, the so-called "Goebel election law" was repealed; and the election laws still in force were supplemented by an act providing severe penalties for their violation and preventing corruption in the preparation and canvass of ballots. — The returns of the election in North Carolina, August 2, which had been preceded by a "red-shirt campaign," showed a majority of 53,000 in favor of a **constitutional amendment** practically disfranchising the negro. In some respects the amendment resembles that adopted in Louisiana in 1898 (see RECORD for June, 1898, p. 374). The ability to read and write any section of the state constitution and the payment of a poll tax are prescribed as qualifications for the suffrage. As in the Louisiana amendment, the vote of the illiterate whites is protected by a "grandfather clause," which gives the suffrage, regardless of all other qualifications except the payment of the poll tax, to those who were electors before the adoption of the fourteenth amendment to the Federal Constitution and to their lineal descendants. — In Oregon a constitutional amendment establishing woman suffrage met with defeat. — Rhode Island in November approved a constitutional amendment making Providence the sole capital of the state. — The legislature of Michigan, at a special session held in October, passed a joint resolution for a constitutional amendment authorizing the taxation of railroad and other corporate property upon its cash value, instead of upon its earnings. A law to this effect had shortly before been declared unconstitutional by the supreme court of the state. — The legislature of Louisiana passed an act abolishing the convict lease system and replacing it by state employment for convicts. It also forbade insurance companies to enter into agreements among themselves, and further restricted their activity by enacting a valued-policy law. — As to **judicial decisions**, the supreme court of Mississippi declared, June 3, that the constitutional amendment which created an elective judiciary (see last RECORD, p. 365) had not been adopted, on the ground that it did not receive a majority of all the votes cast in the election. — On May 28 the supreme court of Maine invalidated an act which prevented any foreigner from obtaining a pedler's license. — On October 2 the supreme court of Michigan declared void a sugar-bounty law.

LABOR AND CAPITAL. — The strike of the building trades in Chicago (see last RECORD, p. 367) has not yet reached a formal settlement; but the withdrawal of several prominent unions from the Building Trades Council and the conclusion of separate agreements with the contractors have foreshadowed the end of the contest. These agreements provide for arbitration, the prevention of indiscriminate striking and abstention on the part of the unions from interference with the processes of labor. — **The street-car strike in St. Louis**, to the beginnings of which reference was

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

made in the previous RECORD (p. 368), gave rise to some outrages. Employees imported from other cities and male patrons of the cars were stoned and beaten, and even women passengers were stripped of their clothing and driven through the streets by mobs of strike sympathizers. In the course of the rioting fifteen persons were killed and several hundred were injured. Since the regular police force proved to be inadequate to suppress disorder, the sheriff had to enroll a special *posse* of a thousand citizens for this purpose. But by the middle of June the lawlessness had spent itself, and the strike became little more than a boycott of the railway company and its passengers. Early in July it came to an end, through the consent of the company to recognize the union and to reinstate its former employees as vacancies might occur. — The prospect of a great clash between capital and labor was afforded by the **strike in the anthracite coal region of Pennsylvania**, which involved 100,000 men. The principal demands of the strikers, as formulated by the officials of the United Mine Workers, included the abolition of the company store, a reduction in the price of blasting powder, an increase in wages and the establishment of a fixed rate for certain kinds of labor; also arbitration for the settlement of differences and the recognition of the United Mine Workers. On September 21, four days after the strike began, the situation became so serious that the militia was ordered out. Four persons were killed and forty injured in outbreaks of rioting. At length, somewhat under the stress of public opinion, the operators offered to reduce the price of the powder and to advance wages ten per cent. The convention of the United Mine Workers agreed, October 13, to accept this offer, on condition that its duration be fixed, that the sliding scale system of payment be discontinued and that other subjects of differences be submitted to arbitration. To these terms the operators acceded and the strike ceased. — Other important events under this head were the renewal of the amalgamated wage scale of the iron and steel workers, September 23, and the conclusion of an agreement at New York, May 14, between employers and a delegation of machinists, representing 100,000 workmen throughout the country. According to the provisions of this arrangement, strikes and lockouts will be obviated, and all differences are to be definitely adjusted by a system of arbitration.

LYNCH LAW AND RACE FEUDS. — Forty-one negroes and one white man have been put to death by lynching since May 10. With the exception of Colorado, all of these instances of summary execution were found in the Southern states. Of these Louisiana heads the list with eleven. Rape accomplished or attempted was the crime charged in half the cases. — In both New Orleans and New York fierce **race riots** have taken place, due in each case to the murder of policemen by negro ruffians. On July 24 a negro agitator shot and killed three policemen in New Orleans. When traced to his hiding-place, he killed five of his pursuers before he was himself shot down. The violence perpetrated by mobs in their wrath against the blacks caused the death of six negroes and the wounding of more than

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

seventy of both races. The murder of a policeman in New York by a negro while resisting arrest provoked on August 15 an outburst of rage that recalled the "draft riots." Negroes were set upon by mobs and beaten almost to death. In some cases they fared about as badly at the hands of the police, who seemed to share the antipathy of the rioters. The outbreak was soon quelled, but several clashes between the races took place later in the month. — Similar occurrences were reported from Liberty City, Georgia, and Georgetown, South Carolina. An attempted assault, furthermore, by a negro upon a little white girl roused a mob in Akron, Ohio, August 22, to such fury that it destroyed the city hall and adjacent buildings in a futile effort to get at the miscreant. In the fights with the police two children were killed accidentally, and a score of the rioters and police were hurt. The arrival of the militia checked any further disorder.

II. FOREIGN NATIONS.

EUROPEAN INTERNATIONAL RELATIONS. — The several **ratifications of the acts of the Peace Conference** were formally deposited in the archives of the Foreign Office at The Hague, September 7. Thirteen powers, namely, France, Germany, Austria-Hungary, Russia, Italy, Spain, Holland, Belgium, Denmark, Roumania, Bulgaria, Siam and Persia, assented to the three conventions and the three declarations of the Conference (see RECORD for December, 1899, p. 749). Portugal ratified all the acts, except the declaration forbidding the use of expanding bullets, and Sweden and Norway all except the convention relating to the laws and customs of war on land. Great Britain approved the three conventions only; while the United States accepted those concerning arbitration and the Geneva convention, and also the declaration prohibiting the jactation of projectiles from balloons. — For the international relations of the European powers developed by conditions in China, see **The Chinese Imbroglio**, p. 761.

GREAT BRITAIN AND IRELAND. — Several measures of importance were enacted into law during the recent session of **Parliament.** The Agricultural Holdings Act provided for the use of arbitration between landlords and tenants, particularly in reference to the compensation due the latter for improvements. The Companies Act imposed restrictions upon the directors of corporations when making allotments of stock. The Merchant Shipping Act limited the liability of ship-owners and dock-owners for losses caused to ships. Other acts provided for the prevention of accidents to railroad employees, and for the prohibition of child labor in mines. Among the measures evoked by the military contingencies in South Africa and China may be cited the Volunteers Act, empowering the government to summon the militia "in case of imminent national danger or great emergency," and enabling volunteers to enter into an agreement whereby they

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

may be liable to serve at any time on the coast defense of the United Kingdom. Another act authorized the Crown to prohibit the exportation of munitions of war to any locality where they might be used against British soldiers or their allies. In order to defray the additional expenditure for military purposes, a supplementary appropriation of £11,500,000 was voted. Of this amount a large proportion is to be employed in the conveyance homeward of 135,000 troops and the payment to them of gratuities at the close of service. — **Legislation concerning Ireland** was framed in the Tithe Rent-Charge Act for the relief of landlords. This makes the tithe variable, according to the variations in the rent of the land out of which the charge issues. — The chief subject of imperial interest in legislation was the **Australian Commonwealth bill** introduced by Mr. Chamberlain in the House of Commons May 14. The imperial government objected to the bill in two respects: first, the word "colony," as defined in the measure, raised the question whether the Colonial Laws Validity Act would be applicable to legislation of the Commonwealth Parliament; secondly, the clause concerning appeals so impaired the right of appeal to the Queen in Council that the unity of the Empire might be gravely menaced, and foreign complications might arise by reason of some decision of the High Court of the Commonwealth. In this connection, Mr. Chamberlain stated that the imperial government purposed eventually to obtain the appointment of one representative from India and one from each of the three self-governing colonies, to serve for seven years as Lords of Appeal in the Privy Council. After some conference with the Australian delegates, the first objection was met by the omission of the definition from the bill. In the second case, an amendment to the appeal clause provided that, on questions relating to the limits of constitutional power between the Commonwealth and the states, or between individual states, no appeal should lie to the Privy Council, unless the High Court certified that the matter ought thus to be determined; otherwise, the right of appeal should remain intact. As amended, the bill received the royal sanction July 9. — Another imperial act, relating to colonial marriages, provided that a marriage between a man and his deceased wife's sister, when lawfully contracted in a British colony, should be deemed valid for all purposes within the United Kingdom. — The thorough demoralization of the Liberal party stood revealed during the course of a debate in Parliament July 25. On a motion to reduce the appropriation for the Colonial Office, as a protest against its declared policy toward the rebellious Dutch subjects in Cape Colony and Natal (see **The War in South Africa**, p. 766), one group of Liberals voted in the affirmative, another in the negative (thus supporting the Ministry), while a third, headed by Sir Henry Campbell-Bannerman, the Liberal leader, declined to vote at all. In the face of such a political situation, and in reliance upon "khakism," the prestige of success in South Africa, the Conservatives resolved to try their strength in the country at large. Accordingly, on September 17, a **dissolution of Parliament** was ordered. The main issue

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

of the campaign was the policy to be observed in solving the South African problem. At **the elections**, which began October 1, the aggressive, imperialistic spirit, decidedly strong in the industrial centres, triumphed to the extent of defeating several prominent Liberals and even Conservatives who had condemned the war policy of Mr. Chamberlain; but the ministerial majority in the House of Commons was increased only from 128 to 134. An important feature of the elections was the practical disappearance of the Parnellite split among the Irish Nationalists and the consolidation of the party under the leadership of Mr. William O'Brien. According to a resolution of the Imperial Liberal Council, adopted October 19, a reorganization of the Liberal party is to be effected, on the basis of social reform at home and ultimate federation of the United Kingdom with the colonies. In the new cabinet, as constituted November 1, the principal changes were as follows: the Marquis of Salisbury remained premier but took in addition the lordship of the privy seal (in place of Viscount Cross); the foreign office was then transferred to the Marquis of Lansdowne, who was succeeded in the war office by Mr. William St. John Brodrick, the former under secretary of the foreign office; the Earl of Selborne became first lord of the admiralty (vice George J. Goschen resigned), and Mr. C. T. Ritchie replaced Sir Matthew White Ridley as home secretary. — On September 30 Lord Roberts was appointed commander-in-chief of the army, in place of Viscount Wolseley, whose term of office was about to expire. — Pursuant to the act of Parliament of last year, the new municipal régime in London (see RECORD for June, 1899, p. 376) was formally inaugurated, November 2.

THE BRITISH COLONIES AND INDIA. — A deadlock, which had prevailed in the legislature of British Columbia ever since the lieutenant-governor arbitrarily dismissed a ministry that commanded a majority in that body and installed a ministry of his own selection, was effectually broken in June by the overwhelming defeat of this ministry at the elections and by the summary removal of the lieutenant-governor by the Governor-General of Canada. — The only important measure **the Canadian Parliament** passed during the late session was a copyright act. It insures complete security to the Canadian publisher who has contracted with an author for the exclusive right of publication in Canada, without at the same time imposing any trade restrictions upon the author. — On October 9 the Parliament was dissolved and an appeal to the constituencies made on the issue of the preferential tariff (see last RECORD, p. 370). The Conservative opposition demanded preferential reciprocity within the British Empire, as against the Liberal policy of according a preferential tariff to British commodities without securing a like concession in the markets of the mother country. At the elections held November 7, the Liberal ministry was sustained by a slightly increased majority in the Parliament. — Two administrative orders of the Dominion government in the interests of labor are worthy of mention. One, issued in July, provided that residents of Canada only should be employed upon public works; the other, issued in

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

August, prohibited the landing of destitute immigrants at any port, unless the captain of the vessel conveying them would furnish the sums necessary for their temporary maintenance and for enabling them to reach their destination (see below, p. 760). Returns of the elections for the legislature in Newfoundland indicated the total defeat of the party manipulated by the contractor, Reid, who has for several years practically controlled the political and industrial situation. — The prospective **establishment of the Commonwealth of Australia** (for constitution, see RECORD for June, 1898, p. 377, and June, 1899, p. 378) on January 1, 1901, was announced by a royal proclamation issued September 17. The Queen appointed the Earl of Hopetoun as the first governor-general. Since New South Wales, Victoria, South Australia and Tasmania had adopted federation prior to the passage of the Commonwealth bill by the British Parliament and its sanction by the Crown, July 9 (see above), time was thus allowed for Western Australia to complete the continental union. This it did July 24, by a vote of 44,000 against 19,000, in favor of federation. At the request of the natives, New Zealand formally annexed the Cook Islands, October 3. — Signs of a continuance of coöperation between the mother country and the self-governing colonies were apparent in the offers of New South Wales, Victoria and South Australia to send naval contingents to supplement the British forces in China. Moreover, the opinions of Canada and Australia, consulted as to the future settlement and administration of the Vaal River Colony (Transvaal) and the Orange River Colony (Orange Free State), were found to coincide with those of the imperial government. — After a copious rainfall in the famine-stricken districts of **India** the number of persons receiving relief steadily decreased from 6,300,000 in the early part of August to less than 3,000,000 in October. The ravages of cholera, which at times carried off from 3000 to 10,000 natives a week, began to abate in September. On account of the heavy expenditure and augmented taxation which used to accompany visits of native princes to Europe, the viceroy has decreed that henceforth permission for such visits must first be obtained from the vice-regal government.

FRANCE. — The determination of the Ministry to effect a **repression of clerical and military influence** which has been striving to foment a rupture between the army and the Republic (see last RECORD, p. 371) was upheld by a consistent majority in the Chamber of Deputies. In May, however, it received a slight setback. During a tumultuous session on the 28th, the opposition denounced the ministry for having cashiered a military officer who gave to the newspapers secret documents bearing on the Dreyfus case. The outcome was the resignation of General de Galiffet as minister of war; but General André, his successor, continued his policy of protecting the army alike against insubordination and against external attack. On account of criticism directed against certain changes made by the new minister of war in the general staff, General Jamont was replaced by General Brugère as commander-in-chief of the army, and the resignation as

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

well of General Delanne, the chief of staff, was immediately accepted. An extensive shifting of commands in the army followed; and the council of war was reorganized by subjecting its titular members directly to the authority of the minister of war. This policy supplemented the **legislative programme of the ministry**. As a check to the persistence of agitation on the subject, the Senate was induced in June to pass a bill extending amnesty to all persons prosecuted in connection with the Dreyfus case (*cf.* last RECORD, p. 372); but in the Chamber of Deputies the bill was referred to a committee known to be hostile to it. Other ministerial measures aimed at clericalism proposed to prevent members of religious organizations from teaching and religious associations from being formed without the consent of the government, and to restrict the holding of public office to those who had spent the last three years of their education in state schools. These likewise were referred by the Chamber to committees. At the close of the session the Chamber appropriated 60,000,000 francs for colonial defense and 477,000,000 francs more for the construction of six battleships, five armored cruisers and a number of torpedo and submarine boats.

GERMANY. — The principal **legislation completed** during the period under review included the Naval bill, the Lex Heinze and the Meat Inspection bill (see last RECORD, p. 372). As to the Naval bill, the government eventually persuaded the Centrists, who controlled the political balance, to keep the project for enlarging the navy distinct from the measures for meeting its cost, which they had virtually prepared as a condition of their support. These measures comprised an increase in the taxes upon negotiable paper, lottery tickets, imported malt and spirituous liquors and cigars, as well as a special tax on mining shares. When these measures had been approved, the Reichstag passed the Naval bill, June 12, by a vote of 201 to 103, the minority being composed mainly of the Extreme Left and a few Centrists. The contest over the Lex Heinze terminated in a victory for the opponents of the original project. The Centrist and Conservative leaders, at the urgent solicitation of Count Ballestrem, President of the Reichstag, substituted for it a new bill in which the obnoxious paragraph concerning police supervision of public entertainments was omitted, and that concerning the exposure and sale of objectionable books and pictures was modified so as to apply only to minors. This the Reichstag immediately sanctioned, May 22. On the following day, by a vote of 163 to 123, the latter number including Radicals and Socialists as well as Agrarians and other ultra-Conservatives, the Reichstag adopted the compromise Meat Inspection bill. As passed, the act prohibits the importation of canned meats and sausage, but provides that, until 1904, fresh and prepared meat may be imported subject to certain stipulations. After that date the importation of meat is to be regulated anew by legislation or, if not, the present measure will remain in force. — **The Prussian Landtag** enacted a municipal elections bill that reorganizes the arrangement of the voting classes and a

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

project for the progressive taxation of department stores on the basis of sales. — By a vote of 137 to 93, the German Socialist Congress, held at Mayence September 16, decided to allow Socialists to participate in elections for the Landtags, despite the restricted suffrage, and to form parliamentary alliances with other parties. — Prince Hohenlohe resigned his position as imperial chancellor, October 16, on the plea of old age. Count von Bülow, Prussian minister of foreign affairs, was appointed his successor.

AUSTRIA-HUNGARY. — By reason of the **persistence of the language controversy**, which has become in reality a struggle between Czechs and Germans for political supremacy, little legislative business was transacted in the Reichsrath. The proposition submitted by the ministry, relative to the creation of language districts in Bohemia and Moravia (see last RECORD, p. 374), proved unacceptable to Czechs and Germans alike. Hence the government programme, embracing, as it did, a provisional budget, confirmation of the *Ausgleich* and regulation of the working hours of miners, could not be carried through. Since attempts to curb the opposition only aggravated the disturbances in the Reichsrath, on June 8 the ministry requested the Emperor to prorogue that body. An imperial decree then extended the validity of the Austro-Hungarian quota (already voted by the Delegations) for a year, and that of the provisional budget for six months. On September 7 the **dissolution of the Reichsrath** was decreed. This dissolution and the elections to follow, declared the Emperor significantly to the leader of the "Polenclub," would be the last constitutional means which the government would take to secure needful legislation. — An administrative act, promulgated in May, exempts from military service all non-resident Austrians who are engaged in promoting the export trade of the Empire.

RUSSIA. — A vacancy in the ministry of foreign affairs, occasioned by the death of Count Muravieff, June 21, was filled by the temporary appointment of Count Lamsdorff, formerly the assistant minister. — Several **financial and industrial measures** of the imperial administration are noteworthy. One provided for the final redemption of the debt due from the Treasury to the Imperial Bank on account of the currency issued to meet the expenses of the Crimean and Turkish wars. The further provision was made that no more currency of this kind should be issued to replenish the treasury. Export taxes on hemp and flax products are to be refunded, in case foreign materials or machines are employed in their manufacture. Also, to assist the development and management of the gold mining industry, a department of mines was created in July. — **Progress in the Russification of Finland** has been marked by decrees abolishing Finnish postage stamps, imposing limitations on the right of assembly and providing for the gradual substitution of Russian for Finnish as the official language, except in the courts of law. At first the Finnish Senate refused to publish the decrees, on the ground of their unconstitutionality; and even when a

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

peremptory command for their publication came from St. Petersburg in July, it complied only after a number of its members had resigned. In response to a petition against recent administrative proceedings of Russian officials, the Czar censured the presumption of the Senate in criticising the government and commanded it to undertake a revision of the Finnish constitution, with the purpose of defining its own competence. But on September 24 an imperial rescript ordered the transference of this work of revision, together with the preparation of new instructions for the governor-general, to a special committee of Russian functionaries.

ITALY. — The attempt to overcome the obstructive tactics of the minority by a change in the order of business (see last RECORD, p. 375) failed so completely that, on May 18, the **dissolution of the Chamber of Deputies** was decreed. In the ensuing elections the sole issue was "obstruction"; but, while the government retained a majority, the Extreme Left gained thirty-two seats. This latter fact, coupled with the narrow escape of the government candidate from defeat in the election for president of the new Chamber and the failure of negotiations with the opposition groups for a working compromise on the rules of procedure, caused the resignation of the Pelloux cabinet, June 18. The king entrusted the **formation of a new Ministry** to Sig. Saracco, the president of the Senate. Two of its members, General Ponza di San Martino, the minister of war, and Marquis Visconti Venosta, minister of foreign affairs, belonged to the previous cabinet. The retirement of the Pelloux ministry and the more conciliatory attitude of the new government apparently mollified the extremists, for July 1 the Chamber adopted an order of business specifically designed to facilitate legislation. Before its adjournment, July 9, it voted a provisional budget. — **The assassination of King Humbert** took place at Monza July 29. An anarchist, Bresci by name, shot and instantly killed the monarch just as he had laid the corner-stone of a school. The Prince of Naples, only son of the murdered king, assumed the crown as Victor Emmanuel III.

SPAIN. — In its campaign for financial retrenchment and reform, the "Union Nacional," an organization composed of chambers of commerce, navigation and agricultural interests, as well as various industrial gilds and corporations, has provoked a **continuance of the anti-tax disturbances**, especially in the cities of Madrid, Seville, Barcelona and Valencia (*cf.* last RECORD, p. 375). So serious did the outbreaks become, that for several weeks martial law was enforced in the provinces of Valencia and Catalonia. Meanwhile, the Union prepared a series of resolutions, among which the most important was an agreement to close all stores in localities where obstinate opponents of the taxes had been prosecuted. Delegates of the Union, June 21, protested to the Queen Regent against the financial policy of the government and demanded the dismissal of the ministry. Their wishes were unheeded; and when the stores of Madrid closed in sympathy with the agitation, the government promptly suspended constitutional rights

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

throughout the province until the symptoms of rebellion disappeared. The minister of finance, the reputed author of the obnoxious tax and loan measures, saw fit to resign; but the prevalence of dissension did not effect a complete **dissolution of the cabinet** till October 21. At that time the minister of war, independently of his colleagues, ventured to appoint General Weyler captain-general of Madrid, as a curb to political demonstrations. General Azcarraga, a former minister of war, then proceeded to construct a cabinet, five members of which belonged to the previous ministry. — A renewal of Carlist agitation in Catalonia caused the issuance of a decree, November 2, suspending constitutional guarantees throughout the country, and empowering the authorities to deal rigorously with the agitators.

MINOR EUROPEAN STATES. — The returns of the first parliamentary elections held, May 27, under the new system of **proportional representation in Belgium**, showed a marked reduction in the clerical majorities of both houses. In the Senate the Liberals and Socialists each gained six seats, while in the Chamber of Deputies the former secured twenty-one, and the latter five, new seats. — A measure providing for compulsory insurance against accidents and illness, submitted to the referendum in **Switzerland**, May 20, was defeated by a majority of nearly 200,000. — On November 4 a like fate befel two propositions, known as the "double initiative," of the Socialistic-Conservative alliance. These called for the election of the National Council on the basis of proportional representation, and for that of the Federal Council by direct popular vote. — In consequence of the marriage of King Alexander to a woman of quite inferior station, the cabinet of **Servia** tendered its resignation in July. At the command of the king, its successor issued a proclamation of amnesty that applied to several political prisoners, condemned for conspiracy last year (see RECORD for December, 1899, p. 757). Diplomatic relations between Russia and Servia were restored in October by the appointment of a Russian minister to Belgrade. — On account of a divergence of opinion regarding the proper method of covering the financial deficit, the existing Cabinet of **Roumania** was replaced in July by a fusion ministry taken from the recently consolidated Conservative and "Junimistic" parties. — Among the financial measures devised by the Parliament at an extraordinary session held in October, the most important was that which authorized a loan to be procured from a German discount-company, in return for the temporary assignment to it of the government's interests in certain industrial enterprises. — The widespread distress caused by poor harvests, and the continued deprivation also of certain civil rights pertaining to occupation and education, led to an exodus of Jews from the country during the summer. Since Canada prohibited the immigration of paupers (see above, p. 756) and Austria-Hungary sent many of the refugees back to the frontier, the new ministry decided to permit the settlement of the Jews in some of the rural districts and conceded several of the rights hitherto denied them. — During the course of a **peasant revolt in Bulgaria** against the conversion

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

of the land tax into a tithe upon threshed grain, ninety persons lost their lives and several hundred were wounded in conflicts between the peasants and the military. For a number of weeks martial law was maintained in the disaffected districts. — The question of securing reparation for the murder of Roumanian subjects and for blackmail levied upon others by a revolutionary organization called the "Macedonian Committee," produced considerable **friction between Roumania and Bulgaria.** The Bulgarian government finally consented to prosecute the members of the organization who were directly concerned in the crimes. — On October 1 the crown prince of **Greece** assumed sole charge of the army, thus finally withdrawing the military organization from the influences of party politics. (See last RECORD, p. 376.) — On June 24 the Sultan of Turkey issued an irade confirming the rights of the Armenian patriarchate and providing for an easier payment of the military taxes due from impoverished Armenians. Fanatical outbursts of a local character against Armenians were reported in August and October.

THE CHINESE IMBROGLIO. — The extraordinary complications in the far East during the past six months have exhibited **China at war with the civilized world,** although no formal declaration of war was issued on either side. As stated in the previous RECORD (p. 377), remonstrances on the part of the foreign ministers against the campaign of murder, destruction and pillage carried on by the "Boxers" in the northern provinces proved unavailing; hence on May 21 the diplomatic body addressed to the Tsung-li-Yamen (Foreign Board) a final demand for the summary punishment of the rioters and their official accomplices. When an evasive reply was again received, the ministers called upon their respective governments for military assistance. Thereupon, Great Britain, France, Germany, Russia, Italy, Japan and the United States landed marines at Taku and sent them to Peking. Hardly had they arrived, when the "Boxers" in the city began to destroy the foreign buildings and to slaughter native Christians and servants of foreigners. The Chinese troops made a few feeble efforts to check these outrages; but early in June it became evident that, more or less with the connivance of the Dowager Empress and Prince Tuan (father of the heir apparent), then in control of the imperial government, the troops had joined the "Boxers." The **assassination of the German minister,** Baron von Ketteler, and of the secretary of the Japanese legation followed the capture of the Taku forts (see below). The former was murdered by a mob of Chinese soldiers, June 20, while on his way to the Tsung-li-Yamen. A regular **siege of the legations** was then instituted. For five weeks the foreign envoys were completely isolated from the rest of the world; and the legation buildings were subjected to a desultory bombardment, until several of them had been demolished. During this period, also, the several imperial edicts, published openly or secretly, varied in tone from deprecation of the outbreak and orders for its suppression to justification of the "Boxers" and encouragement

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

of their excesses. — As soon as the cutting of communication between Tientsin and Peking revealed the gravity of the situation, at a conference of the officers commanding the British, French, German, Austrian, Russian, Italian, Japanese and American warships lying off Taku, it was decided to dispatch an allied force to the relief of the legations. Accordingly, an expedition of 2000 men, under the British vice-admiral, Sir Edward Seymour, started from Tientsin June 10 and, after several conflicts with "Boxers," reached Lang-fang, halfway to Peking, but could not proceed on account of the destruction of the railway. Meanwhile, having ascertained that the Chinese were trying to sever the communications between Admiral Seymour's detachment and the ships of the allies by wrecking the railway and laying torpedoes in the Pei-ho, the naval commanders resolved upon the **seizure of the forts at Taku.** The American rear-admiral, however, declined to "initiate any act of war" without further authorization from his government, and the American warships took no part in the subsequent battle. In response to an ultimatum demanding the withdrawal of the garrison, the forts suddenly opened fire, June 17. After six hours of bombardment a landing party took possession of them. Forthwith the Chinese government, construing this act as a declaration of war, gave the legations in Peking twenty-four hours in which to leave, and ordered the Chinese troops near Tientsin to retaliate. A simultaneous attack was made upon Seymour's force, then returning from Lang-fang, and upon the allies in the foreign quarter of Tientsin. A force of 8000 dispatched hurriedly from Taku suceeded, however, in rescuing the garrison at that city and Seymour's men as well. After a heavy battle on July 14, during which the allies lost over 700, the native city of Tientsin was captured and the Chinese army put to flight. In view of these occurrences, and of the fact that the rainy season was about to begin, the allied commanders decided that the legations could not be succored without a larger force. Nevertheless, the defeat at Tientsin seemed to dishearten the Chinese reactionaries in Peking. The isolation of the envoys was broken July 20, when a message from Mr. Conger, the American minister, reached the United States. Again the imperial authorities tried, but in vain, to persuade the legations to depart for Tientsin, under a promise of safe conduct. Finally, August 4, an allied force of 15,000, under General Linevitch, a Russian, started from Tientsin for Peking. In following the course of the Pei-ho it encountered some formidable resistance from the imperial troops on several occasions; but on August 15 it effected **the capture of Peking and the rescue of the ministers.** The imperial court had already fled southwest to Tai-yuen-fu. There it remained until October, when, fearing an attack by the allies, it went farther south to Singan-fu, the capital of Shen-si. Upon their arrival in Peking, the international commanders agreed to divide the city into a number of districts, each of which was assigned to the military representative of some Power for police administration. On August 28, also, a parade through the imperial palace and

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

grounds was made to demonstrate formally the capture of the city. With the exception of driving out the Chinese garrisons from certain forts north of Taku which menaced the communications between Peking and the sea, military operations since the occupation of the capital have been confined to several punitive expeditions against "Boxers" and their strongholds within a radius of a hundred miles from Peking. During the course of these movements, in which the American troops did not participate, several Chinese officials were tried by court martial and summarily executed. — While such was the condition of affairs in Pe-chi-li, the Chinese entered upon a **border warfare with Russia in Manchuria.** Bands of Chinese marauders tore up sections of the Manchurian railway and killed hundreds of the railway employees. On July 14, also, Chinese troops suddenly opened a bombardment upon the Russian town of Blagovestchensk, on the northern side of the Aigun river, and for a short time actually held possession of it. As a consequence, the Russian government declared Siberia and Turkestan to be in a state of war. Russian armies invaded Manchuria and, having expelled the Chinese troops and rioters, in October assumed control over the entire region. The Russian government then announced that it would hold the province until China should have made ample reparation for its misconduct. — The fact that no serious anti-foreign disturbances occurred in central and southern China was due to the conclusion of international agreements with the Yang-tse viceroys, to secure the protection of foreign life and property by recognizing the vice-regal government as temporarily supreme in the respective districts. A revolutionary movement arose, however, in August. With some cross-currents of hostility to foreigners and to the Manchu dynasty, the movement seemed to have for its main object a propaganda of reform similar to that agitated in 1898 (see RECORD for December, 1898, p. 775). — After the deliverance of the legations had been achieved, what might be called a "**general programme" of the Powers for the pacification of China** was formulated on several occasions during the diplomatic correspondence of the countries interested. This "programme" embraced the following points: punishment of the persons responsible for the outrages committed upon foreigners; the payment of indemnity for the past and the assurance of just treatment in the future; the preservation, also, of the territorial integrity of the Chinese Empire, and the maintenance of the "open door" in commercial policy. As to the military arrangements of the Powers, when certain preliminary difficulties about the joint action of Japan with the European nations and the United States had been adjusted, the question arose as to how the international armies should be conducted. In order, therefore, to insure effective coöperation, in August the Emperor of Germany recommended to the Powers the **appointment of Count von Waldersee,** head of the German staff, as commander-in-chief of the allied forces. The recommendation was adopted, but Count von Waldersee did not arrive at Peking till October 17. France secured the acquiescence of the European Powers

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

also in an agreement to prohibit the exportation of arms to China. On the civil questions at issue, the first Power to make a statement of policy after the international armies began to coöperate in China was the United States. Mr. Hay, the secretary of state, addressed a circular to the American envoys abroad, July 3, in which the policy of the United States was defined to be the joint execution of the "general programme," substantially as outlined above. On August 25 Russia informed the Powers that it purposed to occupy Manchuria only during its present disordered condition, and also made a declaration of policy similar in tenor to that of the United States. But, notwithstanding its acceptance of Count von Waldersee as commander-in-chief, Russia stated its determination to withdraw its legation and troops from Peking to Tientsin, and invited the other Powers to do the same, as a means of facilitating the return of the Chinese court to the capital and the opening of negotiations for the establishment of peace. Of all the Powers France alone assented to the proposal as a whole. The United States observed in reply that, in its opinion, the several principles of the "general programme" could best be realized by a joint occupation of Peking until the Chinese government should be in a position to treat for peace. But if one of the Powers should conclude to withdraw its troops, the United States believed a general withdrawal of the foreign contingents would be advisable. However, it adopted the suggestion of Russia in part as to the retirement of troops; for the American commander, General Chaffee, was instructed, September 25, to remove all of his force, except a strong guard for the legation. In compensation the American navy in Chinese waters was increased. Russia similarly reduced the number of its troops, and, on September 29, its diplomatic representative quitted Peking. Late in October, when the Chinese plenipotentiaries had been appointed (see below), the legation returned. — Another project that failed to receive universal acceptance emanated from Germany. In a note sent to the Powers, September 18, Germany urged that the instigators of the recent outrages should be delivered up to the Powers for punishment, as a condition precedent to inaugurating negotiations for peace, and that the envoys at Peking should designate the culprits. Only the members of the Triple Alliance signified their approval of the plan. The United States, in particular, dissented from it, holding that the punishment of the guilty ought rather to be inflicted by the Chinese government itself, as one of the stipulations to be provided for in the final settlement. After the Chinese authorities had ordered the degradation of certain officials (see below), Germany modified its proposition, so as merely to advocate the reference of the general question of punishment to the envoys, but allowing the Chinese government to attend to the actual infliction. In this form it was approved by all the Powers. — On October 4 France, seconded by Russia, brought forward a scheme that embodied the several features of the "general programme" with certain additions. These were: the German proposal as to a designation of the guilty parties by the

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

diplomatic body at Peking; a prohibition of Chinese traffic in munitions of war; the institution of a permanent guard for the legations; also the destruction of the forts between Peking and Taku and the international maintenance of a line of communication between the capital and the seaboard. The Powers accepted the scheme, as a basis upon which the envoys at Peking should be authorized to negotiate with the Chinese government. Great Britain, Germany, the United States and Japan, however, made some reservations as to the various points suggested by France in addition to the "general programme." — The last accomplished fact of international importance was the conclusion of an **Anglo-German agreement** October 16, to maintain the present territorial status of China and the preservation of the "open door." The third clause of the agreement specified that, if any Power should attempt to utilize the existing complications in order to obtain territorial advantage, the contracting parties reserved the right "to come to a preliminary understanding regarding the eventual step to be taken for the protection of their own interests in China." The Powers were then asked to endorse the two principles before enunciated. This was complied with; but Russia observed, in reference to the third clause, that it would modify its attitude according to circumstances. Russia has also since proposed to the Powers that the entire question of indemnity from the Chinese government be submitted to the Hague Court of Arbitration. — **Negotiations between the Chinese government and the Powers** began in July, with messages to them from the Emperor expressing regret for the outrages and requesting mediation to avert overwhelming retribution for the same. To Japan the Emperor made special overtures for an alliance against the Western nations. But all the Powers declined to resume diplomatic relations, until certain conditions had been agreed to. These included the assurance of free communication between the envoys and their governments; coöperation with the Powers in suppressing anti-foreign disturbances; punishment of the fomenters of them; reparation for injuries sustained; and proofs that the conduct of the Empire in future would be consonant with international law and the customs of civilization. The subsequent policy of the Chinese government was largely shaped by Li Hung Chang. After having been transferred as viceroy from Kwang-tung to Pe-chi-li, he was formally vested with plenary power to procure a final adjustment of the matters at issue with the Powers. At his desire, Prince Ching was associated with him as plenipotentiary, and the two pro-foreign viceroys of Nanking and Wuchang were directed to serve as advisers. Eventually the Powers agreed to accept their credentials. Since all attempts on his part to stay the march of the foreign troops to Peking were futile, Li Hung Chang proposed, after the legations had been relieved, that the Powers should cease hostilities and forthwith appoint their representatives for the beginning of negotiations. The Powers acceded to the latter proposition and, at the instance of Japan, named for the purpose their ministers now in

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Peking. In addition, the United States had already appointed Mr. W. W. Rockhill as a special commissioner to assist its diplomatic representative. Then, September 25, the Chinese government, heeding the advice of Li Hung Chang, after some vacillation, ordered the degradation and punishment of Prince Tuan and other high officials of "Boxer" sympathies. By the edicts that followed, extensive changes were to be made in the personnel and exercise of the provincial administration. On its own part, the Chinese government then formulated the following bases for negotiation: the grant of an armistice; reëstablishment of the imperial authority at Peking as soon as the foreign military occupation shall have ceased; and an agreement to conclude new treaties of commerce and amity and to comply with the demands of the Powers relative to punishment and indemnity. No official meeting of the Chinese and foreign representatives had taken place up to the close of this RECORD.

THE WAR IN SOUTH AFRICA. — The advance of the British army to Pretoria and the prevalence of an active guerilla warfare have been the chief features of the **military operations** since May. After an entry had been easily made into Kroonstad, May 12, the main body of the Boers under Botha retreated into the Transvaal; but the majority of those from the Orange Free State under De Wet remained in this region to harass the British communications. While Lord Roberts halted at Kroonstad to recuperate his men, General Buller started to drive back the Boers from Natal through the Drakensberg mountain passes into the Transvaal. Also, May 17, a combined force from Kimberley and Rhodesia raised the siege of Mafeking. Lord Roberts then began the invasion of the Transvaal. So superior were his forces numerically and so rapid was his march that the dispirited Boers abandoned one position after another without very much resistance. Johannesburg was occupied May 31, and on June 5 came the evacuation and **surrender of Pretoria.** This occurrence facilitated the entrance of General Buller into the Transvaal. Thereupon, after an ineffectual stand, Botha and the Boer army retired eastward along the railway to Middelburg, where Mr. Krüger had taken refuge upon the approach of the British to Pretoria. The ubiquity of the Boer commandos, notably that under De Wet in the Orange Free State, was such that active pursuit of Botha and Krüger had to be suspended for two months. The British occupation, however, progressed steadily, in spite of numerous petty reverses, due to the incessant cutting of communications and attacks upon the isolated garrisons. Late in August Lord Roberts, acting in conjunction with General Buller, resumed the pursuit of Botha and Krüger, and drove the Boers eastward until they scattered in the mountains or crossed the frontier into Portuguese territory. Mr. Krüger sailed for Europe on a Dutch cruiser, October 20. Officially the **destruction of the Boer republics** was rendered complete by the annexation of the Orange Free State, under the name of the Orange River Colony, May 28, and that of the Transvaal, under the name of the Vaal River Colony,

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

September 1. Pacification of the new colonies was carried out by a series of rigorous measures. Boers who violated the oath of neutrality were transported to Ceylon and their property was confiscated. Others who had ill-treated British subjects were banished for a term of years. On August 18 Lord Roberts announced that violations of oaths of neutrality would entail death, imprisonment or fine and that burghers inhabiting districts occupied by the British forces would be transported unless they took such oaths. Destruction of their property, also, was threatened to those who aided the enemy. This declaration was supplemented by another, September 5, notifying the inhabitants of the Orange River Colony that future resistance to British arms would be punished as rebellion. Those, however, who had never taken the oath of allegiance to Great Britain and were actually members of a commando would, when captured, be treated as prisoners of war. After formally proclaiming the Vaal River Colony to be under martial law, Lord Roberts asserted that none of the 15,000 Boers now held as prisoners of war in St. Helena, Ceylon and elsewhere would be released until their fellow-subjects had surrendered unconditionally. Still the commander-in-chief promised that, with certain exceptions, all Boers who gave up their arms voluntarily would not be transported; though the property of those at present in rebellion would be liable to confiscation. A military police force of 12,000 was then constituted under the command of General Baden-Powell. — Several **measures of a civil character** may also be noted. On September 8 the announcement was made that the concessions granted by the late government of the Transvaal would be subjected to the scrutiny and possible control of the imperial government. Accordingly the Netherlands Railway was seized; and a commission has since been appointed to begin the examination of other concessions. Inducements have, furthermore, been offered, in the shape of land and free transportation to soldiers who will decide to remain in South Africa. — The policy to be observed in the **treatment of colonial rebels** awakened a bitter contest in the Cape Colony. The majority of the Afrikander Bond demanded full amnesty for all rebels, except the ringleaders, and refused to concede to the government immunity for acts committed under martial law. Both of these views were opposed by Mr. Schreiner, the prime minister of the colony, and the minority who favored instead the infliction of a comparatively light punishment upon the rebels. As the schism in the Bond was reflected in the ministry, that body resigned June 11. Sir Gordon Sprigg then formed a cabinet of moderate Progressives. With the support of Mr. Schreiner and his adherents in the Assembly, the government secured the passage of a bill, September 21, creating special commissions to try the rebel leaders, and disfranchising the rank and file for a period of five years. It also accorded immunity to the government and compensation to individuals for acts of war. The violent opposition, however, of the extreme Afrikanders forced Mr. Schreiner to resign his seat in the Assembly, October 24. — Among

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

matters of international interest relating to the war are to be mentioned the failure of the Boer mission to procure the intervention either of the United States or of any European power, in behalf of their countrymen (*cf.* last RECORD, p. 379), and the settlement of the dispute between Great Britain and Germany in regard to the detention of German vessels by British warships. According to the award of the commission appointed by the governments of both countries, Great Britain agreed, early in September, to pay an indemnity of about £30,000.

OTHER AFRICAN AFFAIRS. — On May 19 the several European Powers which have territorial interests in Africa signed at London a **convention for the preservation of wild animals**, birds and fish on that continent between the Sahara Desert and the Zambesi River. An international agreement was concluded between France and Spain early in July, for defining the boundaries of their respective possessions in West Africa. — Excepting a fight with Berbers in the latter part of August, the extension of French dominion southward from Algeria (see last RECORD, p. 380) continued without serious hindrance. The Sultan of Morocco, however, on June 9, formally requested the French government to submit to arbitration all claims arising from the occupation of the territory in question. French predominance around Lake Chad has been assured since early in May, when the last of the forces of Rabah were beaten and scattered. — An expedition composed of native troops under British officers proved unable until July, after four months of fighting and privation, to accomplish the **relief of Kumassi**, where the governor of the Gold Coast colony was closely besieged by a formidable body of Ashantis. Two months longer of punitive warfare were required before British rule could be reëstablished at all over the rebellious natives. As a preventive of further mischief, two of the Ashanti chiefs have been deported to the Seychelles.

LATIN AMERICA. — The surrender of a large force of insurgents at Panama, July 26, imposed a temporary check upon **the rebellion in Colombia**, which has smouldered for more than a year. So great has been the financial loss occasioned by this desultory struggle that, in order to reduce public expenditure, the government of Colombia, August 15, ordered all of its legations, except two, and all of its consulates, except four, to be abolished. — Financial retrenchment has also been inaugurated by the Argentine Republic in a recent act which prohibits extraordinary expenditure unless special sources of revenue shall be provided to meet it. — On July 2 France concluded a reciprocity agreement with Brazil; and in October a treaty with Mexico for the protection of registered trademarks. — In June Hayti adopted the gold standard, with the American dollar as the unit of value; and a month later Costa Rica also began efforts to establish the gold standard on the basis of a valuation in United States currency.

WILLIAM R. SHEPHERD.

COLUMBIA UNIVERSITY.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED